SULLIVAN COUNTY New Hampshire



Annual Report
Of the
Board of Commissioners,
Other Elected Officials and
Department Heads

Fiscal Year 2008

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IN MEMORY OF

LEO P. DURANLEAU

Director of Maintenance from 1983 to 1997

Died: July 3, 2008

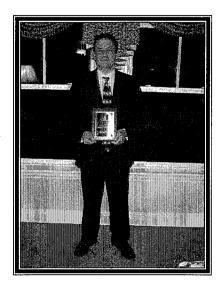
2008 ANNUAL REPORT DEDICATION

The FY08 Sullivan County Annual Report is dedicated to all the employees of Sullivan County. It is with the deepest appreciation that we, the Commissioners, dedicate this annual report to all employees of the County. From the laundry & culinary staff to the corrections officers to the nursing home & county administrators, the entire County staff has demonstrated what can happen when there is an environment of cooperation and a positive work ethic. All departments showed the ability to provide the high level of service all county residents have become accustomed to in a fiscally challenging year. Without the continued efforts of all members of the Sullivan County team, the organizational & financial gains made this year would not have been possible. Simply put, THANK YOU, thank you for all you have done and all you continue to do to affect positive change within our organization.

NHAC 2007 COUNTY AWARDS

County Employee of the Year

Dana Laroche

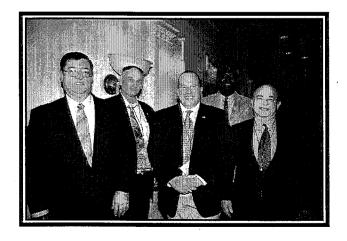


County Registry of Deeds Employee of the Year

Chaunee Baker



DOC Superintendent Affiliate Presidents Award Ross L. Cunningham (Third from left)



Page 3 "All day, every day, we make life better."

DIRECTORY

Board of Commissioners

Jeffrey Barrette, Chair – District 1 Elected Position: Serving a 2 Yr Term. Term expires 1/6/09

Bennie C. Nelson, V. Chair – District 2 Elected Position: Serving a 4 Yr Term. Term expires 1/6/09

Ethel Jarvis, Chair – District 3 Elected Position Serving a 4 Yr Term. Term expires 1/4/2011

Address:

14 Main Street Newport NH 03773 Tel. 603.863-2560 Fax. 603.863-9314 Email:

commissioners@sullivancountynh.gov Web Site: www.sullivancountynh.gov

(District towns listed on Page 8)

County Administrator

Greg Chanis
Appointed Interim Manager 12/4/07
(3/18/08 formal appointment).
Appointed Administrator 7/29/08

Address:

14 Main Street Newport NH 03773 Tel. 603.863-2560 Fax. 603.863-9314

Email: gchanis@sullivancountynh.gov

County Treasurer

Cynthia P. Sweeney 1/01/2007 -Current Elected Position: Serving a 2 Yr Term Term expires 1/6/09

Address:

14 Main Street Newport NH 03773 Tel. 603.863-2560 Fax. 603.863-9314

Conservation District

Janice Heighes, District Manager

Address:

24 Main Street Newport NH 03773 Tel. 603.863-4297 Fax. 603.863-4730

Email: Janice.Heighes@email.nacdnet.org

Board of Supervisors:

- David Grobe Chair, Plainfield
- ❖ Leon Stevens V. Chair, Claremont
- ❖ John Luther Treasurer, Acworth
- Cornelia Sargent, Claremont
- Doddridge Johnson, Sunapee
- Associate Supervisor:
 - o Richard Elsesser (Acworth)

County Attorney's Office

Marc Hathaway, Attorney Elected Position: Serving a 2 Yr Term. Term expires 1/6/09

Address:

14 Main Street

Newport NH 03773
Tel. 603.863-7950/9365
Fax. 603.863-0015
Email: ca3@sullivancountynh.gov
❖ Assistant Attorneys:
 David Park
 Jack Bell

County Facilities & Operations

Heather Presch Assistant Director of Facilities, Ext. 234

Mark Kenney Maintenance Foreman, Ext. 277

Address:

5 Nursing Home Drive Claremont NH 03773-7344 Tel. 603.542-9511 Ext. 234 Fax. 603.542-2829

Email: facilities@sullivancountynh.gov

Department of Corrections

Ross L. Cunningham, Superintendent Appointed (effective 8/20/2007)

Address:

103 County Farm Road Claremont NH 03743 Tel. 603.542-8717 Fax. 603.542-4311

Email: doc@sullivancountynh.gov

Human Resources Office

Peter Farrand, Director

Address:

5 Nursing Home Drive Claremont NH 03773-7344 Tel. 603.542-9511 Ext. 286 Fax. 603.542-9214

Email:

humanresources@sullivancountynh.gov Web site: www.sullivancountynh.gov

Human Services Department

Sherrie Curtis, Coordinator

Address:

5 Nursing Home Drive Claremont NH 03773-7344 Tel. 603.542-9511 Ext. 210 Fax. 603.542-2829

Email:

sherriec@sullivancountynh.gov or humanservices@sullivancountynh.gov Website: www.sullivancountynh.gov

Registry of Deeds

Sharron King, Registrar Elected Position: 2 Yr Term Term Expires - 1/6/09

Address: PO Box 448

Newport NH 03773 Tel. 603.863-2110

Fax. 603.863-0013

Deputy Registrar:

Chaunee Baker (Appointed)

Sheriff's Office

Michael L. Prozzo, Jr., High Sheriff Elected Position: 2 Yr Term Term Expires - 1/6/09

Address:

PO Box 27

Newport NH 03773 Tel. 603.863-4200

Fax. 603.863-0012

Email: sheriff@nhvt.net-

Web site: www.sullivancountynh.gov

Chief Deputy Sheriff:

Denis J. O'Sullivan III, Captain Administrative Assistant/Special Deputy:

Barbara E. Sprague

Sullivan County Health Care (Nursing Home)

Ted Purdy, Administrator Appointed (Effective 11/13/07)

Previous Administrators in FY '08: Ed Gil de Rubio, 9/14/07 - 11/12/07 Dave Laplante, 7/1/07 - 9/13/07

Address:

5 Nursing Home Drive Claremont NH 03773-7344 Tel. 603.542-9511 Ext. 217

Fax. 603.542-9214

Email:

nursinghome@sullivancountynh.gov Web site: www.sullivancountynh.gov

Admissions Coordinator:

Susan Bergeron, Ext. 292

Director of Nursing:

Rebecca Trudelle, Ext. 287

UNH Cooperative Extension

Seth Wilner, Office Manager

Address:

24 Main Street Newport NH 03773 Tel. 603.863-9200 Fax. 603.863-4730

Web site: http://www.ceinfo.unh.edu

Educators & Program Assistants:

- o 4-H Development Nancy Berry and Robin Luther
- o Agricultural Resources &

Environmental Stewardship Seth Wilner

- o Forester Chuck Hersey
- o Family & Consumer Resources
 Gail Kennedy
- o *Nutrition Connections* Sandy Trybulski

Victim Witness Program

Cindy Vezina, Coordinator

Address: 14 Main Street Newport NH 03773 Tel. 603.863-8345 Fax. 603.863-0015

Email: ca4@sullivancountynh.gov

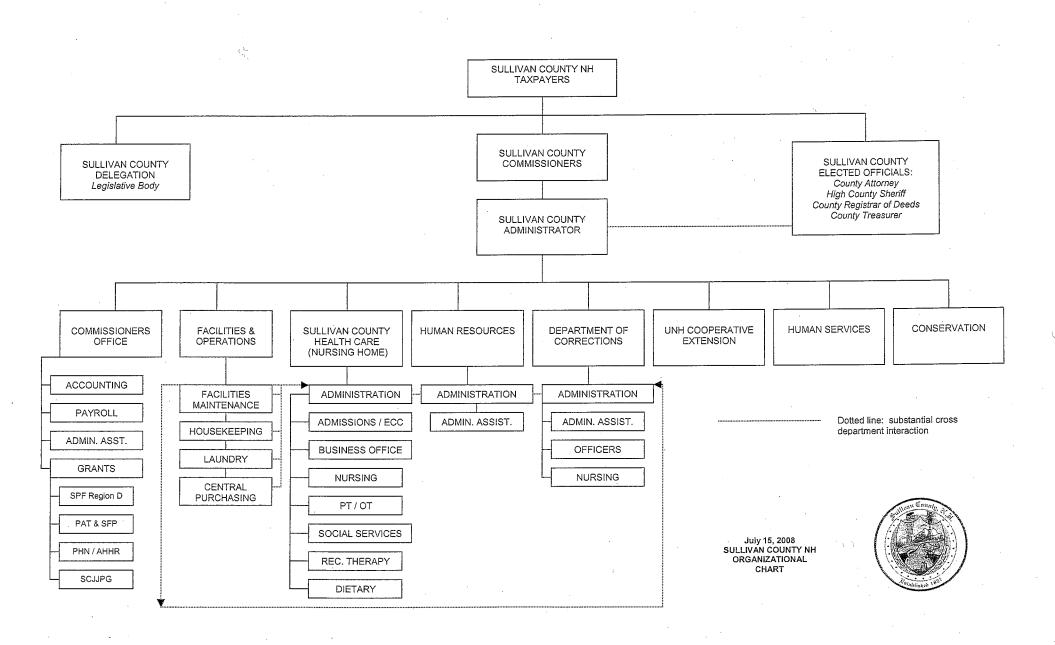
State & District Courts

Claremont District Court Tel. 603.542-6064

Newport District Court Tel. 603.863-1832

Probate Court Tel. 603.863-3150

Superior Court Tel. 603.863-3450



SULLIVAN COUNTY FACTS PAGE

BRIEF HISTORY

Sullivan County is located in west central New Hampshire. The county was named after Brigadier General John Sullivan, a Revolutionary war hero in late 1700's. Previously Sullivan County was part of Cheshire On July 5, 1827 Sullivan County. County came into being established its own recording site in Newport, which is currently the county The county consists of 528 square miles and includes fourteen towns and one city*:

Acworth, Charlestown, Claremont*, Cornish, Croydon, Goshen, Grantham, Langdon, Lempster, Newport, Plainfield, Springfield, Sunapee, Unity, and Washington.

The population in Sullivan County is currently 42,061 (Data extracted from LGC 2007 - 2008 NH Municipal Officials Directory).

COUNTY GOVERNMENT

- Sullivan County employs 246 employees (part and full time, effective 6-27-08 pay end).
- The majority of the employees are employed at the Sullivan County Health Care (nursing home) in Unity, followed by Department of Corrections, Facilities & Operations, Sheriff's Office, Registry of Deeds, Attornev's Office, Commissioners' Office, Cooperative Extension, and Conservation Per NH State Department. mandates the County subsidizes employees in the following programs: Victim Witness Conservation Protection, and Human Services.
- The County owns approximately 1,500 acres of land, which includes, in Newport, the Remington B. Woodhull County complex and Records Building on Main Street, and in Unity, the

Sullivan County Health Care (nursing home), Department of Corrections and several out buildings, along with several land properties located in the Town of Unity.

COUNTY GOVERNMENT IS MADE UP OF TWO BRANCHES

The Executive Branch consists of three Commissioners with two commissioners elected every two years and the third commissioner every four years. The three districts are separated as follows:

- □ District 1 Claremont
- ☐ District 2 Cornish, Croydon, Grantham, Newport, Plainfield, Springfield
- ☐ District 3 Acworth, Charlestown, Goshen, Langdon, Lempster, Sunapee, Unity, and Washington

The Board of Commissioners duties are mandated by NH Statute RSA 28. The Commissioners are part-time elected responsible for officials supervision of County Departments, buildings and land, and exercise budgetary oversight over all County expenditures. The Commissioners meet the first and third Tuesday, of each month, with department heads to discuss old and new business. Commissioners submit, on a fiscal year (July 1st to June 30th), a budget to the County Delegation for approval. Minutes from the Commissioners public meetings may be attained through the Commissioners Office or be viewed on line www.sullivancountynh.gov

The <u>Legislative Branch</u>, the County Delegation, consists of thirteen elected Representatives. The role of the County Delegation is to approve the necessary funds to operate the County. The Delegation Executive Finance Committee reviews the

Commissioners' budget, then submits the budget (with any modifications) to the full County Delegation who then vote on the funds. County Delegation minutes may also be attained from the Commissioners Office or can be viewed on line at: www.sullivancountynh.gov.

COUNTY GOVERNMENT DEPARTMENTS & THEIR ROLE

Office Commissioners The Commissioners Office is located on Main Street in Newport, the County seat. This office is the primary office for the Board of Commissioners, and currently employs four employees: a Payroll Clerk, an Accounts Payable Clerk, an Administrative Assistant, and Secretary/Receptionist. employees perform a number of duties which include: coordinating meetings among officials and public, preparing budgetary reports for Department and Auditors, handling Heads employee benefits, accounts payable & receivable, monitoring grants as the fiscal agent and maintaining records for all County Offices. The Board of Commissioners convene the first and third Tuesday of each month @ 3 p.m. The first Tuesday meeting is held in Newport, at the Commissioners' Office Conference Room, while the third Tuesday meeting is held in Unity, at the Sullivan County Health Care facility Activities Room. Commissioners' meetings are open to the public, excluding Executive Sessions (non public). The Board's goal with each meeting is to allow discussion of old and new business and to monitor the progress and performance levels of each of the following departments: County Administrator, Sullivan County Health Care, Facilities & Operations, Department of Corrections, Registry of Deeds. Sheriff's Office, Human Human Services, UNH Resources, Cooperative Extension, Conservation District, County Attorney's Office, Victim / Witness Program, Payroll, and the County Commissioners' Office.

County Administrator - The County Administrator the serves as Commissioners' agent, for the financial and administrative management of The Administrator Sullivan County. oversees and coordinates business. fiscal. purchasing and human resources activities of the following departments and functions: 1) Sullivan County Health Care, 2) Department of Corrections, Commissioners' Office, 4) Maintenance of all County Property, 5) Human Relations, 6) Communications and Information Technology, 8) Cooperative Extension, and Conservation District. (Please note, the DOC effective 12/4/07, Superintendent and SCHC Administrator report directly to the of Commissioners; Board reporting later changed when the new organizational chart was approved on 7/15/2008.)

County Treasurer - The Treasurer is a two-year elected term, with the position receiving its authorization from the NH Constitution. The position is part time with duties, mandated by RSA's (NH State RSA Chapter 29) that include the accountability of all moneys belonging to the county, with a follow up report at the end of each fiscal year.

Registry of Deeds - The position of Registrar is a two year elected position, receiving its authorization from NH Constitution, Part #2 Article 71 & 72. Sullivan County Registry of Deeds is located on Main Street in Newport. The duties of the Registrar, dictated by RSA's, include the recording, reproduction and indexing of legal documents pertaining to real estate, and the reporting to the cities and towns (for tax purposes) of all

transfers of property and the maintenance of records dating back to 1827. The Registry records an average of 50-75 documents a day, with people utilizing the facility in person or through the Registry website:

http://www.nhdeeds.com/slvn/web/start.htm each day. Along with the elected Registrar, the Registry of Deeds currently employs a Deputy Registrar and three full time clerks.

Sheriff's Office - The Sheriff's Office legally mandated receives its authorization from NH Constitution, Part #2 Article 71, and additionally from RSA section 104:6. The Sheriff's Office is located on Sunapee Street in Newport. Along with the High Sheriff (the chief law enforcement officer to each Sheriff's Office, a two year elected term) there is a Chief Deputy, three full time and seven part time full Deputies, and а time Administrative Assistant / Special In New Hampshire, the Deputy. Sheriff's authority reaches throughout and within the boundaries of the State, sharing jurisdiction with local law enforcement agencies. Some of their duties include: rural patrols, criminal investigations, support of local law enforcement initiatives, vehicle escorts, transport of inmates/juveniles/involuntary admissions, emergency prisoner control, civil services, and Superior Court capias' & extraditions.

Attorney's Office - The County Attorney's Office is located on Main Street in Newport. The County Attorney is a constitutionally elected the chief and is official enforcement officer in the County. The County Attorney is charged with felonies prosecution of misdemeanor appeals from the district courts and works in conjunction with the State Attorney General's Office, Sheriff's Department, NH State Police

and local police departments. In the County Attorney addition, represents the County in all civil matters involving the departments or agents of the county, and works with the medical referee in cases of untimely deaths. Along with the Attorney, the County County Attorney's Office currently employs two Assistant Attorneys and two full time secretaries. The office also works closely with the Victim Witness The Victim Witness Program. Program was created to ensure that the rights of the victim are protected; reducing the impact the crime and resulting involvement in the criminal justice system has on the lives of victims and witnesses. State, Local, and County resources fund this program, which staffs one Victim Witness Program Coordinator.

Sullivan County Health Care - The Sullivan County Health Care facility (nursing home) is located on the County Farm Road in Unity. Health Care employs approximately (total includes Facilities Operations) and provides both Skilled and Intermediate levels of care for its residents. The Sullivan County Health Rehabilitation Department Care physical provides therapy, occupational therapy and speech therapy services. The facility assists in applying for Nursing Home assistance. Along with the MacConnell Unit, which was built specifically to meet the needs of the resident with Alzheimer's Disease, the home also helps with Respite Care - a service allowing someone to take time off from caring for a family member at home.

DAILY RATES - Medicaid: Effective July 1, 2008 \$154.57. Semi-Private: \$205, effective 7-1-08. Private rate: \$235, effective July 1, 2008. These rates include: room accommodations, meals (including special diets ordered by physicians), 24 hour nursing care,

assistance with activities, personal care items, laundry service, routine dental treatments, prescribed medical dressing items, social services, most recreational activities, and oxygen Additional concentrators or tanks. items such as physician services, podiatrist services, pharmacy services, supplies are billed medical insurance carriers first then to the responsible party. An updated list of items available can be obtained by contacting the Nursing Home at 603.542-9511.

Human Services Office - The Human Services office is located at Sullivan County Health Care in Unity N.H. This department has a part time director and is under the supervision of the County Administrator.

The Human Services Department is responsible for reimbursing the State of New Hampshire for services provided to children & families, elderly & disabled, and nursing home residents.

RSA 169 B, C, & D states that the county will pay up to 25% of the costs for certain court ordered services rendered to children & families of Sullivan County.

RSA 166 states the county will pay for Old Age Assistance (OAA), Aid to the permanently & totally disabled (APTD), and nursing home care.

RSA 167 regards Provider Payments (durable equipment, ambulance service, etc). Home & Community Care (HCBC) services for those people eligible for nursing home care but prefer remain at home with services (home health aides, visiting nurses (etc).

Conservation District - The Conservation District Office is located on Main Street in Newport. Sullivan

County Conservation District is a subdivision of state government established in 1946 under NH RSA. The Conservation Chapter 432. District is a branch of county government and funded through the County budget. District programs are administered by one full-time employee under the direction of an allvolunteer Board of Supervisors who must be residents of the County. Among the many services provided are interpretation and capability with information, assistance preparation of NH Wetland Permit Applications. calculation of Soil Potential Indexes for Farmland in Current Use, and sales of native trees and shrubs in the spring. Conservation District also provides technical assistance for the installation conservation practices partnership with USDA Natural Resources Conservation Service through the many Farm Bill cost share programs. The conservation districts act as a link between federal and state landowners agencies and for soil and water conservation of resources.

UNH Cooperative Extension - UNH Cooperative Extension is located in the same building as the Conservation District office. In partnership with Sullivan County, the State of New the Federal Hampshire and Government, UNH Cooperative Extension provides practical, researchbased education and information to people of all ages in Sullivan County. Sullivan County Extension Educators in Agriculture, Family and Consumer Resources, Forestry, Food Nutrition, and 4-H Youth Development, advised by a local advisory council, work together to strengthen the local economy, enhance the environment, develop human potential and strengthen families and communities. Activities include face-to-face technical assistance, group workshops and

program series, volunteer support, web-based and printed information including fact sheets, newsletters and updates on timely topics. The County subsidizes a portion of Cooperative Extension through the use of one of its buildings, Extension Educator travel and expenses, payroll for two full time support staff and one part time, and through grants.

Department of Corrections - The Department of Corrections is located at the Unity Complex, near the County Health Care Facility. The Department of Corrections employs 36 people (eff. 7/1/07), which includes Superintendent, Director а Operations, a Classification/Inmate Management Lt, а Corrections Secretary, a Director of Inmate Programs, Three nurses, 4 Community Officers, and Corrections Corrections Officers and 1 per diem Nurse.

The Department of Corrections consists of two locations:

- 1. Jail - Holds pretrial males and females awaiting sentencing to either the County Jail or to NH State Prison. Their classifications range from minimum to maximum security. It also holds males and females who have been sentenced to terms of 1 year or less on felony and misdemeanor crimes.
- 2. Community Corrections Center-16 bed unit (males) overseeing inmates that are participating on the work electronic release program, monitoring home confinement, complex workers. Community Corrections is also responsible for overseeing the Pretrial Services Program, and Services Community work

crews. The Director of Programs manages this unit and oversees all Inmate programs for both the Jail and Community Corrections Center.

The current jail facility was built in 1978 for approximately 44 inmates. Today, the facility's average daily population is 104 offenders with a peak population of 125.

SULLIVAN COUNTY COMMISSIONERS REPORT

Fiscal year 2008 has been an extremely busy year for the Board of Commissioners and the entire management team of the County. This has been a year of great change in the management of the County as a whole.

We began this fiscal year with the decision not to renew our contract with Genesis Eldercare for the management of the nursing home. Despite the repeated assurances from Genesis they would be a partner in the transition process, they handed over operations within two weeks of our non-renewal and vacated the building. This presented the commissioners and the health care facility as a whole with what may be considered the greatest challenge we have ever faced. With the help of our health care management team, Landmark Healthcare solutions and Jack Wozmak of Cheshire County, we were able to manage the facility until we hired a new administrator for the facility. Ted Purdy was hired in November 2007 to this crucial position. With the help of Becky Trudelle, Director of Nursing, the facility is operating flawlessly with a renewed commitment to patient care and operational efficiency.

As previously stated this past year was one of operational changes within most of Sullivan County. The House of Corrections is no exception. In October of 2007 we hired Ross Cunningham to fill the vacant Superintendents' position. Mr. Cunningham came from the state prison system and brought with him a discipline approach to the entire organizational structure. Ross also brought with him a desire to incorporate the best correctional practices into our aging facility. With his guidance we hired John Gramuglia as our Inmate-Programming Director and set our sights on the future of the facility as a whole. Mr. Cunningham and Mr. Gramuglia proposed that we not build the \$45 million jail that had been proposed in the previous fiscal year and instead to focus on the cutting edge of corrections by building a residential grade building with a focus on rehabilitation and integration back in to the community. This project is appropriately named the Community Corrections Center. The cost of this project was reduced to \$7.2 million, including all necessary upgrades to the old secured facility. The commissioners unanimously voted to move this project forward with the support of the County Attorney Marc Hathaway, Sheriff Michael Prozzo, and both district court judges, Hon. John Yazinski and Hon. Bruce Cardello. Renovation of the existing facility will be completed in FY09 with design & construction of the Community Corrections Center done in FY09-FY10. We are proud to be on the leading edge of the movement from prisoner warehousing to rehabilitation and reintegration.

In December of 2007 we said goodbye to County Manager Ed Gil de Rubio. Mr. Gil de Rubio served in the role of County Manager for 5 years and initiated many positive changes within the county in an effort to make Sullivan County a regional leader in drug prevention, health pandemic management, hazard preparedness & countywide recycling. Facilities Director Greg Chanis stepped into the role on an interim basis and has since become the permanent County Administrator while retaining his duties as Facilities Director. Mr. Chanis has proved to be a competent manager of the organization as a whole and has the ability to understand the financial and the human management of the County. We are very fortunate to have such an intuitive, efficient and intellectual manager in our service. In January of 2008, upon review of the county financials we found that we were on pace to create a large deficit for FY08. The commissioners, took immediate action to avoid a repeat

of the previous fiscal year (FY07 audited financials were -\$2.7 million.) All department heads were directed to review their budgets and bring forward cuts that would collectively change the course of our finances. After a series of special meetings, a large amount of funds were frozen and remained frozen for the duration of the budget cycle thanks to the efforts of all department heads. Though the figures have not been fully audited, at the printing of this report, it appears as though we have ended the fiscal year with a budget shortfall of approximately \$300,000. The commissioners owe a debt of gratitude to Greg Chanis for his continued efforts to see Sullivan County succeed in every aspect of County government.

Overall 2008 provided significant challenges for the commissioners and the organization as a whole. That said, we have put together an extremely competent management team and we believe that we are in the best position we have seen in years, possibly ever. We continue to provide a high level of care at the health care facility, a safe secure environment at the jail and those are only the high profile pieces of the operation. We have one of the most efficient and effective Sheriffs departments in the state; a seasoned forward thinking County Attorney and our Sullivan County UNH Cooperative Registry of Deeds that is second to none. Extension continues to provide valuable resources for agriculture and forestry under the direction of Seth Wilner. The staff at the Commissioners office is dedicated and helpful to the commissioners, the county administrator, HR, and the public as they field most of the inquiries. We continue to fiscally oversee grants for the Public Health Network and All Health Hazards Region, substance abuse prevention grants for the Strategic Prevention Framework (SPF), Strengthening Families Program (SFP) and Parents As Teachers, in partnership with the State, plus, the Sullivan County Juvenile Justice Planning grant.

We feel that we are in a very positive position moving into FY 09 and consider ourselves privileged and honored to serve the citizens of Sullivan County every day.

Respectfully submitted, Sullivan County Commissioners Jeffrey Barrette, Chair Bennie Nelson, Vice Chair Ethel Jarvis, Clerk

SULLIVAN COUNTY ATTORNEY'S OFFICE REPORT

The past year was a busy one for the Sullivan County Attorney's Office. In Sullivan County Superior Court last year there were 531 new cases filed and numerous other probation violations and re-entries. In addition to the work in the Superior Court, we continue to work closely with area law enforcement by providing legal advice in criminal investigations and prosecution services in the District Court, as circumstances require.

The prosecution function of the office is in good hands with Assistant County Attorneys David Park and John Bell, each having more than 20 years of criminal trial experience. The experience, professionalism, and integrity of Attorneys Park and Bell continue to serve the citizens of Sullivan County well.

Officer Manager Melanie O'Sullivan and her capable assistant, Holly Pariseau, continue to serve as the backbone of our office. Melanie and Holly do a superb job of managing the huge volume of paper and information, which is processed by our office each year, while always presenting a friendly and professional image to those dealing with our office.

The prosecutorial responsibilities of the office are made easier by the competent and compassionate work of our Victim/Witness Coordinator Cindy Vezina. More important, however, is that Ms. Vezina's efforts insure that the concerns and questions of those involved in the criminal justice system as victims and/or witnesses are addressed promptly and professionally. Ms. Vezina plays a major role in our continued commitment to the victims of violent crimes. Each year she works with area law enforcement and Women=s Supportive Services to organize the domestic violence training program we provide to Sullivan County law enforcement.

In 2006, we saw the birth of the Grafton-Sullivan County Child Advocacy Center (after this ACAC@), which was the end result of several years of planning, coordinating and grant writing. The CAC is designed to serve and protect abused and neglected children in Sullivan and Grafton Counties through the collaborative actions of a multi-disciplinary team of community professionals including law enforcement, prosecution, child protection, health care and victim/crisis support services. The CAC has opened offices in Newport and Lebanon and has proven its value under the competent direction of Cathy Bean, who has proven to be an exceptional CAC Coordinator. Assistant Sullivan County Attorney David Park, who is this office's liaison to CAC has worked with law enforcement and victims in a number of successful prosecutions in CAC involved cases.

Substance abuse remains a major threat to the safety of our community. Heroin, Crack Cocaine, Cocaine, Oxycontin, together with other drugs and alcohol continue to play a prominent role in the majority of our criminal cases. The continued efforts of law enforcement, coupled with effective prosecution and sentences that recognize the need for both punishment and treatment remain the most effective response to this continuing problem.

The significant substance abuse problem and its link to criminal activity was confirmed by the April 2007 Jail Facility Needs Assessment conducted by Ricci Green Associates. The Sullivan County Attorney's Office remains an active participant in the Sullivan County Criminal Justice Committee and the planning process for the much needed new Community Corrections Center. The planned new Community Corrections Center is an integral part of our hopes for a more effective criminal justice system, by providing significant substance abuse treatment as part of the

punishment/deterrence portion of our House of Corrections sentences. The long term benefit to the community, the offender and the taxpayer by aggressively targeting substance abuse issues in our community cannot be underestimated.

In the past year, the efforts of the Commissioners, the Sullivan County Delegation, the Sullivan County Department of Corrections and the Criminal Justice Committee has resulted in funding for the Sullivan County Delegation approving the Commissioners plan for a new 68-bed Community Corrections Center. The Community Corrections Center is, in my judgment, a huge opportunity for Sullivan County to break the pattern of alcohol and drug addiction which fuels a majority of the criminal conduct within the community, and is a core social problem resulting in the expenditure of significant resources in the Human Services budget.

In closing, I would like to thank the citizens of Sullivan County, the County Commissioners and the members of the Sullivan County Delegation for their continued support. My entire staff and I are proud to work for and with you for a better Sullivan County.

Respectfully submitted, Marc B. Hathaway Sullivan County Attorney

SULLIVAN COUNTY SHERIFF'S OFFICE REPORT

To the Honorable Commissioners of Sullivan County:

This has been an extremely busy year for the Sheriff's Office. We have seen an increase in the transportation of prisoners, especially from out-of-county. Because of the current economic times, we have also seen an increase in the civil process, and we expect this trend to continue.

One of the major challenges we face right now is the price of gasoline, and taking that into consideration, we asked for, and received the support of the Commissioners and Delegation to replace our present cruisers, which are five years old. We are replacing our existing fleet with the Chevrolet Impala, with a V-6 engine, rather than our current V-8 engine. All research indicates that our gas consumption will go down, as the miles per gallon go up.

The Sheriff's Office continues to receive grants from Highway Safety, which funds our Radar and DWI endeavors. We have also acquired our 6th Underage Alcohol Task Force Grant, and continue to work closely with area police departments, as well as the NH State Police, and Liquor Enforcement. We have received our 3rd grant for the NH Fish and Game OHRV Enforcement. With this grant we are able to assist local departments in the enforcement of the OHRV laws. We continue to be a member of, and support the Attorney General's Drug Task Force, as well as the Justice Assistance Grant (JAG), which assists in drug investigations.

As of March 17, 2008, we have contracted with the Town of Lempster to provide police coverage, as well as continuing our contract with the Town of Unity. We have been well received in both communities, and maintain a close relationship with all emergency services, and the staff of both towns.

The Sheriff's Office strives to maintain good service, while working within our budget. We exceeded our revenue projection, as well as having a surplus, even with the increase of our workload.

As the Sheriff of Sullivan County, I thank my staff for their timeless hard work and dedication. I also want to extend my thanks and appreciation to the Sullivan County Commissioners, County Delegation, County Manager, the citizens of Sullivan County, and all law enforcement agencies in the area. It has been my pleasure to work with all of you.

Respectfully submitted, Michael L. Prozzo, Jr. Michael L. Prozzo, Jr. High Sheriff

MLPjr/bes

SULLIVAN COUNTY DEPARTMENT OF CORRECTIONS REPORT

Fiscal Year 2008
Operating Budget was approved for \$2,881,479

The Department of Corrections has had a very productive year on several fronts. The staff and I have developed both a mission statement and have completed a policy & procedure manual, which will serve the department for years to come. There continues to be a focus on safety, training and overall efficiency in operations.

Statistics of the DOC

The Department of Corrections admitted a total of 1,153 individuals from 7/1/07 through 6/30/08. This total is broken down as follows: 876 Males 200 Females

Average daily population was 104 (87 males, 17 females)

Total number of felony detainees	304
Total number of misdemeanor detainees	395
Total number of VOP detainees	312
Total number of protective custody	116
Total number of civil detainees	26

Staff

In January of 2008, several changes were made to better manage the facility and inmates. John Gramuglia MBA, LICSW, LADC, LCS – joined the staff as the Director of Programs. Lt. Roberts who previously managed that role, moved into the newly created position of Classification/Inmate Management. Due to the increase in admittances, and the development of Community Corrections the need for close management and proper classification of the inmate population is key. Lt. Roberts is commended for his efforts in developing the platform for Sullivan County DOC's Community Corrections program.

Congratulations to the following officers for completing the NH Corrections Academy and becoming certified officers – Rene Castillo, Marinus Hillenga, Tammy McLaughlin, Shawn Coughlan, Marc Johnson, Peter Mahair and John Gramuglia.

The DOC will increase its staff effective 1/1/09 by adding these positions – 2 full-time Correctional Officers, 1 part-time Correctional Officer, 1 part-time Secretary, 1 full-time Clinician, and 1 full-time Booking Corporal.

Community Corrections

92 inmates resided at the Community Corrections Unit and participated in work release

44 inmates were released to home on electronic monitoring

76 individuals were supervised on Pre Trial Services

8 female inmates participated on work release while remaining housed in the Jail

Community Corrections provided a total of 1363.5 inmate work hours. Work crews were provided to - Bourdon Center, Claremont, Good Beginnings Claremont, Goshen

Town Hall & Library, Sullivan County Sheriffs Dept Newport, Goshen/Lempster School, Town of Goshen, Connecticut Valley Home Care, Town of Charlestown, First Baptist Church Claremont, NH DOT Adopt a Highway Unity, Town of Unity, Claremont Food Pantry, Lempster Fire Department

As part of the inmate program requirements - CCC staff and jail staff collected and tested 2382 urine samples during the fiscal year.

Future of SCDOC

Our philosophy is that "transition begins at admission" and our job is to prepare inmates for successful reentry to a productive life in the community so that they do not return to jail.

The Criminal Justice Coordinating Committee, Board of Commissioners, County Administrator, and Jail Staff worked diligently during the FY08 year to move toward finance approval for the Community Corrections Center and Jail Upgrades Project. We were encouraged by the amount of public support received following the many power- point presentations that were conducted. I am happy to write that approval for the project was voted in by the Delegation on 8/14/08.

The estimated completion date for the new build on the Community Corrections Center is late spring of 2010. The Jail upgrades to the existing facility will be completed within the FY09 fiscal year and include a new roof, security system, HVAC system and a sprinkler system. We also thank Ricci Greene for their assessment work and Kevin Warwick for his consults on community corrections programs. Kevin will continue to consult for Sullivan County to provide assistance in developing new programs for the Community Corrections Center and Jail.

Special thanks go to the DOC staff for all the extra details assumed in collecting data to support the project and in their dedication toward improving the facility, inmates and each other and the mission of the Department of Corrections.

Respectfully submitted, Ross L. Cunningham Superintendent

SULLIVAN COUNTY ADMINISTRATOR'S REPORT

Fiscal Year 2008 was a year of major transitions for Sullivan County. In December 2007, the Board of Commissioners appointed me as Interim County Administrator. This came after the resignation of Ed Gil de Rubio, who had served as County Manager for six years. Recently, the Sullivan County Board of Commissioners made this appointment permanent. I appreciate the confidence the Commissioners have shown in my abilities and look forward to working with the Commissioners, along with all the elected officials and staff members of the County. Our goal will be to provide high quality service in all areas of County government, in a fiscally responsible manner.

Sullivan County Health Care and the Sullivan Count Department of Corrections also experienced significant changes in fiscal year 2008. At Sullivan County Health Care, the Commissioners voted to end the contract with Genesis Healthcare. Under this contract, Genesis had provided administrative oversight and additional consulting services to the facility. With the termination of this contract, the County embarked on a search for a permanent, county employed Nursing Home Administrator. On November 13, 2007, this position was filled by Ted Purdy, who brought to Sullivan County over 20 years experience in the Long Term Care field. Despite the many challenges he faced on his arrival. Ted has succeeded in bringing operational stability to a facility that has faced significant turmoil over the past few years. The Sullivan County Department of Corrections also experienced a change in management. After six months of operations without a permanent Superintendent, and an extensive search, Ross Cunningham was hired as the new Superintendent for the Sullivan County Department of Corrections. Ross came to the County with 19 years experience in the Corrections field in New Hampshire. His in depth knowledge and positive attitude has energized the entire department. In addition, Ross and his staff have developed a detailed proposal to create a Community Corrections Center for Sullivan County. This innovative idea will address the significant programmatic and infrastructure deficiencies that exist in the department today while costing significantly less than the construction of a new jail.

It is no secret the financial condition of Sullivan County is less than ideal. several years prior to fiscal year 2008, revenue from operations at Sullivan County Health Care had not met budgeted expectations and no adjustments were made on the expense side to offset this shortfall. This resulted in a deficit at the end of fiscal year 2007 of approximately \$3 million dollars. In fiscal year 2008, it was apparent early on that revenues were once again not meeting expectations. Faced with this shortfall, the County Commissioners acted early to "freeze" \$750,000 of expenses and encouraged Department Heads to limit spending throughout the fiscal year. I want to take this opportunity to thank all the Department Heads and their staff for responding to this request by making significant sacrifices in their respective operations to reduce expenses. The 'freezing' of funds along with their actions resulted in approximately \$1.2 million dollars of expense reduction in fiscal year 2008. These savings went a long way in offsetting the final shortfall in revenue of approximately 1.5 million dollars. Although this is good news and a significant improvement from Fiscal Year 2007, it is certainly not the way we should operate in the future.

Moving forward, our goal is to restore Sullivan County's fiscal health. To succeed, it is essential that we work together to develop and implement budgets that begin to deal with the County's deficit, realistically predict revenue from Sullivan County Health Care and adequately fund County departments so that they can continue to provide high quality services to the citizens of Sullivan County.

Respectfully submitted, Greg Chanis, County Administrator

SULLIVAN COUNTY FACILITIES AND OPERATIONS REPORT

No Report Available

SULLIVAN COUNTY HEALTH CARE REPORT

(Nursing Home)

Sullivan County Health Care began the fiscal year with the Commissioners deciding that the management of the nursing facility needed to be brought in-house, rather than remain with Genesis Health Care. With that decision, Landmark Health Solutions, a health care consulting organization, was brought in to provide temporary administrative support and operational consulting while the county recruited a new permanent nursing home administrator.

In September 2007, Rebecca Trudelle was promoted to Director of Nursing. She had previously served as the Unit Manager for Stearns I. Rebecca has 17 years experience in nursing, having been supervisor of intensive care units and director of nursing at another nursing facility. In November, the County Commissioners appointed me, Ted Purdy as the Administrator of Sullivan County Health Care. I come to Sullivan County with 19 years experience in nursing home administration, having operated large nursing facilities, including assisted living communities. Dori Barratt, Nurse Practitioner, who had been providing services to our residents under Genesis Physician Services, was hired as an employee of Sullivan County Health Care in November 2007. Dr. Sameer Chinoy, of Newport Health Center also joined us as Medical Director in November.

Upon hiring a new administrator, the in-house management of Sullivan County Health Care was complete and the management contract with Landmark was terminated in December 2007. With the management team in place key nursing positions, such as Unit Managers, were stabilized. It is worthy to note that during the management transition, other department heads and key staff such as Social Services, Staff Development, Clinical Reimbursement, Activities, Business Office and Environmental Services remained in place and provided stability in facility functions. Shannon Brickey, a Certified Dietary Manager with 25 years experience in health care dietary management, was hired in April 2008 to round out the department head team.

The Sullivan County Health Care team has been focusing on operations and developing quality improvement initiatives to maintain and enhance the services provided to the residents. Additionally, a new union contract was signed by the Commissioners and union representatives in July 2008. The contract is a 3-year agreement and will provide a level of certainty for union employees in pay increases and work rules. Union representatives and management worked diligently to provide a workable agreement for the county and for employees. The agreement will be an important basis for continued collaboration among the Sullivan County Health Care team.

Events held during the year:

- A craft fair was held in November.
- Sullivan County Health Care volunteers were honored during Volunteer Appreciation Week on May 1st.
- The Rehabilitation Department promoted advances in "Wiihab" with an open house during National Nursing Home week on May 14th.

 Our 20th Annual Pancake Breakfast was held Sunday, June 8th, where the facility hosted a County department/program's fair, and witnessed around 400 visitors.

Respectfully submitted, Ted J. Purdy Nursing Home Administrator

HUMAN RESOURCES REPORT

The Human Resources Department is a two-person operation, which manages wages, benefits, personnel data, new hire application process and the application of policies and procedures for approximately 250 employees of the County. The Human Resource Director and Human Resources Assistant are located in the Health Care facility in Unity.

One of the most important responsibilities of the Human Resources Department in cooperation with the Payroll Clerk is the administration and maintenance of the County's benefits program. In general these include:

Health Insurance-Employee & Retiree
Dental Insurance- Employee & Retiree
Sick Leave and Sick Time
Accumulated Earned Time
Vacation time
Short Term Disability
Life Insurance
10-12 Paid Holidays
NH State Retirement Plan
Section 125 Plan
Differentials
Deferred Compensation
Tuition Assistance

Note: Eligibility for benefits varies based on employment status

Duties for the Human Resources Department also include all communications with the Union (AFSCME Council Local 3438) members of the Health Care Facility. FY 08 brought to an end two years of negotiations with a signed contract on 6/17/2008, which was facilitated by the Human Resources Department in cooperation with the County Attorney and Nursing Home Administrator.

During FY 08 the Human Resources Department was able to facilitate a County wide wellness program, which was able to supplement the Weight Watchers At Work program for the employees participating, and the remainder of their balance can be paid up front by the employee or can be deducted right from their paychecks. The three sessions began in June 2007 and ran sequentially through February 2008, interested employees signed up with Human Resources. The Weight Watchers At-Work Programs was offered to promote employee wellness. Our group met on Thursday afternoons for about 30 minutes. Each week we had a "topic" but the meeting can go in any direction the members choose. We say we like to talk about "what works" and laugh about what doesn't. Each meeting offered a chance to share tips, recipes and success stories. The members seemed to have enjoyed the support from their co-workers and it is a relaxing time to unwind! The three sessions for this group ran for 13 weeks each and their total weight loss was 414.6 pounds and participation of approximately 26 individuals, with two members turning into lifetime members by meeting their goal and maintaining it.

This year the Department actively participated in the Pancake Breakfast allowing the community to see how our office functions, but also to allow them to see any vacant positions and ask questions. The Human Resources Department has also actively participates in about four Job Fairs throughout the area. Our intent is to help broaden our name within the Community as an employer and extend it into other communities as well. We have successfully hired from such events to fill positions that were vacant.

The end of FY 08 brought a big decision of our Commissioners to change health insurance programs, we left the self-funded program and went to an indemnity plan and established two retirees benefit plans, not only that, we changed to a completely different company. The big change from Anthem BC & BS to Harvard Pilgrim was significant and encompassed all eligible employees and retirees of the County. With over 220 eligible employees and approximately 25 retirees this was no small task. We were able to facilitate several employee enrollment and informational sessions and two retiree sessions with our benefits administrator PRIMEX. From start to finish the enrollment process took us about 6 weeks, most of that being one on one home meetings with Retirees to try to help them make the best decision possible. The responsibility of the Sullivan County benefits administrator for health insurance also changed hands to the Human Resources Assistant.

As a team the Human Resources Department in collaboration with all County Department Heads and Elected Officials, strives to bring the County together under the mutual goal of creating honesty, respect and consistency throughout every interaction every employee has within their daily roles at Sullivan County.

Respectfully submitted, Peter F Farrand, Human Resource Director Samantha M Fletcher, Human Resources Assistant

SULLIVAN COUNTY HUMAN SERVICES REPORT

HCBC (Home and Community Based Care)

The county is responsible for 25% of the cost for services provided to Sullivan County elderly and disabled residents in their home rather than a nursing home setting. Sullivan County has approximately 238 active cases. The cost for this service for FY 08 was \$910,713.00.

PROVIDER PAYMENTS

The county is responsible for 25% of the cost for services such as prescription drugs, hospitalization, emergency medical services, and durable medical equipment for Medicaid recipients living in nursing homes and the community. Sullivan County has approximately 326 active cases. The cost for this service for FY 08 was \$289,393.00.

OAA (Old Age Assistance)

This program offers recipients money payment and medical assistance for individuals 65 years of age and meeting the income eligibility guidelines. Sullivan County has approximately 75 active cases. The cost for this service for FY 08 was \$40,505.00.

APTD (Aid to the Permanently and Totally Disabled)

This program also offers recipients monthly money payments and medical assistance for individuals meeting the income level guidelines. Sullivan County has approximately 435 active cases. The cost for this service for FY 08 was \$442,727.00

Nursing Homes

With the implementation of Senate Bill 409 effective January 1, 1999, the counties pay 25% of nursing home care. Sullivan County has approximately 266 recipients in nursing homes. The cost for FY 08 was \$2,073,375.00.

Board and Care of Children

The counties continue to work with the State of New Hampshire regarding court ordered services for families and children of Sullivan County. The counties are responsible for 25% of these costs. The cost for these services for FY 08 was \$666,892.00. 334 Children and families were served.

Annually each county is awarded Incentive Funds from the State of New Hampshire for the purpose of local agencies to administer programs to prevent court ordered out of home placement.

These funds are distributed to each county based on a formula: FY '08

General Fund Appropriation:

\$ 3,515,741.00

County 15% guaranteed amount:

<u>\$ 527,361.00</u> \$52,736.00

Remaining Amount

\$2,988,380.00

The remaining amount is based on each county's juvenile population, for Sullivan County it is approximately 6%.

The Sullivan County Incentive Funds were awarded at our annual review day. Total funds received for FY 08 were \$157,329.00. Agencies receiving these funds through the application process were:

Good Beginnings, Children & Youth Services, Claremont Soup Kitchen, Turning Points Network, SAU # 43 Early Childhood Support Team, Girl's Incorporated of NH, Claremont 21C, Youth Intervention Program, Child Advocacy Center and West Central Services.

Respectfully submitted, Sherrie Curtis, Administrator

DEPARTMENT OF HUMAN SERVICES CITY/TOWN EXPENSE REPORT FY'08

	#	OAA &	#	APTD &		NURSING			#			#	CHILDREN	
TOWN/CITY	CASES	MEDICAL	CASES	MEDICAL	# CASES	CARE	# CASES	HCBC	CASES	PPMT	CLAWBACK	CASES	FAMILIES	TOTAL
ACWORTH	2	\$ 1,106.00	3	\$ 1,555.00	2	\$ 7,919.00	8	\$ 46,570.00	7	\$ 10,680.00	\$ 3,089.00	2	\$ 59.00	\$ 67,889.00
CHARLESTOWN	4	\$ 2,239.00	42	\$ 39,724.00	35	\$ 263,816.00	40	\$151,733.00	35	\$ 19,242.00	\$ 33,622.00	28	\$ 99,755.00	\$ 576,509.00
CLAREMONT	30	\$20,947.00	230	\$249,712.00	120	\$ 963,404.00	97	\$352,014.00	99	\$ 104,042.00	\$102,489.00	171	\$ 336,636.00	\$ 2,026,755.00
CORNISH	1	\$ 1,337.00	5	\$ 4,745.00	4	\$ 5,269.00	4	\$ 8,597.00	3	\$ 1,107.00	\$ 1,544.00	0	\$ -	\$ 21,055.00
CROYDON	0	\$ -	3	\$ 2,937.00	3	\$ 16,583.00	1	\$ 2,805.00	4	\$ 1,595.00	\$ 1,685.00	11	\$ (54.00)	\$ 23,866.00
GOSHEN	2	\$ 1,392.00	6	\$ 5,136.00	4	\$ 43,688.00	5	\$ 19,051.00	8	\$ 11,457.00	\$ 4,211.00	3	\$ 20,435.00	\$ 101,159.00
GRANTHAM	0	\$ -	6	\$ 14,373.00	5	\$ 39,184.00	1	\$ 1,043.00	8	\$ 40,883.00	\$ 4,142.00	5	\$ 7,179.00	\$ 102,662.00
LANGDON	0	\$ -	6	\$ 3,866.00	1	\$ 14,269.00	0	\$ ~	1	\$ 142.00	\$ 772.00	0	\$ -	\$ 18,277.00
LEMPSTER	1	\$ 954.00	6	\$ 5,762.00	3	\$ 19,546.00	5	\$ 20,134.00	7	\$ 2,112.00	\$ 4,352.00	6	\$ 2,495.00	\$ 51,003.00
NEWPORT	18	\$ 9,574.00	100	\$ 93,597.00	40	\$ 328,819.00	62	\$249,039.00	94	\$ 78,402.00	\$ 45,910.00	72	\$127,174.00	\$ 886,605.00
PLAINFIELD	2	\$ 405.00	6	\$ 4,427.00	6	\$ 46,992.00	0	\$	5	\$ 2,362.00	\$ 5,473.00	2	\$ 21,885.00	\$ 76,071.00
SPRINGFIELD	0	\$ -	4	\$ 2,176.00	4	\$ 15,963.00	2	\$ 5,335.00	4	\$ 1,695.00	\$ 2,527.00	2	\$ 3,067.00	\$ 28,236.00
SUNAPEE	0	\$ -	6	\$ 7,978.00	10	\$ 87,427.00	6	\$ 38,923.00	15	\$ 6,889.00	\$ 5,967.00	6	\$ 2,955.00	\$ 144,172.00
UNITY	0	\$ -	2	\$ 1,629.00	9	\$ 75,411.00	2	\$ 9,883.00	11	\$ 2,829.00	\$ 5,686.00	4	\$ 347.00	\$ 90,099.00
WASHINGTON	Ö	\$ -	4	\$ 1,647.00	4	\$ 28,058.00	3	\$ 4,902.00	6	\$ 727.00	\$ 3,862.00	3	\$ 3,002.00	\$ 38,336.00
OTHER	2	\$ 2,551.00	6	\$ 3,463.00	16	\$ 117,027.00	2	\$ 684.00	19	\$ 5,229.00	\$ 7,927.00	29	\$ 41,957.00	\$ 170,911.00
TOTALS	62	\$40,505.00	435	\$442,727.00	266	\$ 2,073,375.00	238	\$910,713.00	326	\$ 289,393.00	\$ 233,258.00	334	\$666,892.00	\$ 4,423,605.00

SULLIVAN COUNTY REGISTRY OF DEEDS REPORT

No Report Available

SULLIVAN COUNTY CONSERVATION DISTRICT



24 Main Street, Newport, NH 03773 Tel. (603) 863-4297

MISSION STATEMENT: To take available technical, financial, and educational resources, whatever their source, and focus or coordinate them so that they meet the needs of the local land user. We coordinate these services in partnership with the USDA Natural Resources Conservation Service (NRCS).

Sullivan County's farmers, private landowners and forestland owners have continued to show an interest in conservation programs offered through the USDA Natural Resources Conservation Service. Over \$128,000 was awarded in this fiscal year and invested in conservation. Funded practices involve fencing for wetland/stream protection and prescribed grazing, heavy use areas, pest management plans, watering facilities and pipeline, forest management plans, timber stand improvement, erosion and sediment control on forest trails, early successional habitat creation, tree and shrub planting and upland and wetland wildlife habitat improvement.

Education is always a key component to our conservation efforts. In addition to offering financial assistance to Sullivan County residents through federal conservation programs, NRCS continues to make available technical assistance to it's residents and units of government such as planning boards and conservation commissions in matters concerning impacts to soil and water quality and wildlife habitat.

The new Farm Bill will offer further opportunities for us to work with our partners; the USDA Natural Resources Conservation Service, the Farm Service Agency, the UNH Cooperative Extension Service and possibly others in rolling out the new programs and helping us put quality conservation on the land

A Year in Review:

 nservation Highlights: Over 7,170 acres of conservation was applied in Sullivan unty.
Farmstead and Water resources were improved on over 2,380 acres with nutrient management, waste utilization and conservation buffers.
Cropland resources were improved on over 380 acres through residue management, cover cropping, crop rotation, and nutrient and pest management.
Grazing and Forest resources were improved on over 4,270 acres with the development of forest management and grazing plans, the installation of erosion and sediment controls in forestland, fencing for prescribed grazing, pasture and hay planting and forage harvest management.
Wildlife habitat on over 140 acres was created or improved in upland and wetland areas.

Conservation planning, our cornerstone for success, was completed on over
1,900 acres assisting customers with identifying best management practices for
forestland, cropland, grazing, wildlife, water and farmstead resource issues.

We extend our sincere gratitude to our technical partner, the Natural Resources Conservation Service for their assistance to Sullivan County Conservation District. In spite of their heavy workload in implementing USDA cost-shire programs, the staff continues to provide non-government program assistance to landowners in our county whenever possible.

Respectfully submitted, Janice E. Heighes District Manager

UNH COOPERATIVE EXTENSION, SULLIVAN COUNTY 2007-08 ANNUAL REPORT

AGRICULTURAL NATURAL RESOURCES & COMMUNITY DEVELOPMENT PROGRAMS

- * The Sullivan County UNH Cooperative Extension Agricultural Resources program area assisted commercial and non-commercial growers in all phases of agricultural production and management. This included crop production methods, pest management, whole farm planning, financial analysis, nutrient management, conservation practices, and marketing.
- * Six major areas of agricultural programming were the focus of the past year: farm management and record keeping, whole farm planning/holistic management, estate transfer, fruit and vegetable production, forage production and quality, and pest and disease control.
- * Sullivan County UNH Cooperative Extension also provided support to the agricultural community in the following areas: agricultural engineering, home gardening, nutrient management, pesticide re-certification credits, on-farm research, and strategic planning.
- * Over 150 farm visits were made, and over 300 phone calls were responded to this past year. Not only were the services of the Sullivan County Agricultural Resources educator made available to growers, but so, too, were the knowledge and services of 9 different agricultural specialists who work with UNH Cooperative Extension.
- * The Sullivan County Master Gardener Program continued to provide educational programs on home gardening and landscaping using their active core of 20 Master Gardeners. Additional support for homeowners was provided by the Family Home and Garden Center in Manchester. This Center offers a toll free hot line and is staffed by volunteers from around the state. Homeowners can call with their questions Monday through Friday.
- * The Agricultural Resources educator also provided support to the Sullivan County Farm Bureau, the Cold Pond Community Land Trust, the Cornish Fair, and other county and community based organizations.
- * The educational programs and assistance listed above have resulted in increased farm profits, increased farm efficiency that resulted in hours of time and labor saved, reduced, and/or more judicious use of farm inputs, and increased support for the agricultural community here in Sullivan County.

FOREST RESOURCES PROGRAM

vForest Resource Educator, Sullivan County UNH Cooperative Extension, through woodlot visits advised 40 landowners, owning 7,776 acres of forestland, on management practices to enhance and sustain the timber, wildlife, water, recreation and biodiversity values of their forestland.

vForest Resource Educator provided technical assistance and conducted needs assessment for 17 landowners from Sullivan County in support of their application to NRCS Environmental Quality Incentives Program (EQIP), which provides cost-share dollars for practices that improve and protect forestland.

vForest Resource Educator coordinated and conducted 22 forest related workshops and presentations attended by 950 people. Educational topics covered: land conservation, forest history, forest ecology, silviculture, forest roads and trails, long-term forest stewardship, forest health, GPS and GIS mapping, selling timber, tree identification, timber harvesting, and wildlife habitat management.

 υ Forest Resource Educator assisted over 20 forest-related enterprises, including private foresters, timber buyers and harvesters, sawmills, and Christmas tree growers.

Forest Resource Educator served as the Sullivan County Chair of the NH Tree Farm program and coordinated the Tree Farm program in the county. Ninety-two Tree Farmers manage over 45,000 acres in Sullivan County to benefit the long-term productivity of our forest for current and future generations. Forest Resource Educator also worked closely with the Sullivan County Chapter of the NH Timberland Owners Association to promote long-term forest stewardship and the value of a viable forest-products industry in maintaining our rural quality of life.

FAMILY & CONSUMER RESOURCES PROGRAM

- * Approximately 460 parents learned about child development and effective parenting practices by attending parent education program series, workshops, and/or receiving *Cradle Crier/Toddler Tales* age-paced, monthly newsletters focused on early childhood development.
- * Seventy-nine food handlers from school food service, hospitals, nursing homes, home catering, fast food restaurants, senior meal sites, assisted living and restaurants increased safe food handling practices to reduce foodborne hazards by attending Safety Awareness in the Food Environment and ServSafe Food Safety programs around Sullivan County.
- * Increasing financial literacy, building present and future financial security, decreasing debt, increasing savings, and improving credit were the goals of our multi-session, money management class series, workshops, publications and newsletter articles offered to the general public, the Claremont Shelter, Sugar River Mills, Sullivan Academy, and Sullivan County House of Corrections audiences reaching over 160 residents this past year.
- * The Sullivan County Strengthening Families Project was conducted by the Family & Consumer Resources and 4-H Youth Development Educators with a grant through the Governor's Drug Abuse Prevention, Intervention and Treatment Fund. Classes were held in Claremont and Charlestown reaching over 25 Sullivan County families. "Teen Talk" newsletters reached another 435 families of 7th graders in Newport, Claremont, Charlestown, and Plainfield with timely tips about important teen issues. An interactive display was created to reach parents and other community members with key messages to promote the importance of connecting with their children,

school and community to raise healthy youth at various school and community events.

NUTRITION CONNECTIONS PROGRAM

- * Limited income residents from Claremont, Newport, Charlestown, Lempster, and Langdon participated in a series of food, nutrition and physical activity lessons. Nutrition Connections programming reached 62 families, either in a group series, the home study course or through individual visits. Together with the Family & Consumer Resources Educator, a series of money for food, shopping, and meal planning lessons was presented to residents of the Claremont Homeless Shelter, as well as a cooking demonstration using commodity foods.
- * Using a series of nutrition and physical activity lessons, Nutrition Connections programming in 6 schools during the 2007-2008 school year reached 405 youth from Claremont, Newport, Acworth, and Charlestown. Programming included monthly sessions at the Newport Head Start Centers. Teachers and students provided information on healthy changes such as eating healthier snacks before soccer games, bringing more fruits and vegetables for school snacks, and trying more new foods in the school lunch. Ten youth participated in the Food Is Fun home study course, and 14 senior citizens participated in the NutriNews home study lessons.
- * Families were referred by various agencies including Southwestern Community Services, WIC, Southwestern Homeless Services, Good Beginnings, and Welfare offices. Some food stamp recipients referred themselves to the program through information provided in the state-wide Smart Choices Newsletter and Nutri-News newsletter and flyers distributed to the schools and Head Start.
- * Nutrition Connections was promoted throughout the county by the distribution of materials and brochures, school and agency contacts and visits, and newsletter articles.

4-H YOUTH DEVELOPMENT PROGRAM

- * With the help of 99 volunteer leaders, the 4-H Youth Development Program fostered life skill development in youth. This year 292 youth took part in 24 community and 5 family clubs to build personal skills in communication, relationships, leadership and management through their participation in club and county project activities. Fifteen adults were screened and interviewed and became new 4-H volunteers this year.
- * Twenty adult and teen leaders took part in regional leader training in Newport during November. Sessions conducted included "Microwave Magic", "4-H Flight Command", GPS Treasure, Teaching Animal Science Projects, and a Club Organization Leader Update. A county workshop day was held in February with 38 leaders and older 4-H youth attending. Workshops included "County 4-H Records", "Six Easy Bites", "Fine Arts", "Salsa Dance" and "How to Get 4-H News in the Eagle Times".

Sullivan County NH FY08 COUNTY ANNUAL REPORT

- * The Sullivan County 4-H Teen Club continued to meet monthly with teens participating from all area high schools. Ten teens and 2 chaperones traveled to Wharton County, Texas in July and visited the capital in Austin, the Alamo in San Antonio and NASA in Houston. Participants also learned about crops grown in the southern part of Texas: maize, rice, soybeans, and cotton.
- * The 4-H Educator worked in collaboration with the director of the Newport Enrichment Team to apply for a grant from JC Penney to increase the number of students able to use the Newport Teen Center. The Center received \$9000 and \$4500 worth of JC Penney gift cards for the students to purchase back to school clothing and supplies.

The Strengthening Family Governor's Commission grant included recruiting and training 29 teens and 6 adults to work as community facilitators to teach 4-H Health Rocks classes in area schools and after-school programs. After attending 8 hours of training, teams taught 6 weeks of lessons to 285 students in grades 4^{th} - 8^{th} at Claremont, Charlestown, Sunapee, Newport and Unity schools. Students learned to make healthy decisions about tobacco, alcohol and other drugs.

Sullivan County NH FY08 COUNTY ANNUAL REPORT

Sullivan County Directory Governor's Commission Grant Programs

As Fiscal Agent, the County provides fiscal and program oversight for the following grant programs. Details of the programs may be attained through the Sullivan County Commissioners' Office at 14 Main Street Newport NH 03773.

Parents As Teachers (PAT)

Grant Amount: \$14,060

Program Supervisor: Family Schools Connections, Linda Davies - Executive Director

Program Director: Jana Gillespie

165 Broad Street Claremont NH 03743 Tel. 603.542-4885

Strengthening Families Programs

Grant Amount: \$23,940

Program Co-Directors: Nancy Berry & Gail Kenney

UNH Cooperative Extension

24 Main Street Newport NH 03773 Tel. 603.863-9200

Grantor: NH State Governor's Commission on Alcohol and Drug Abuse Prevention, Intervention and Treatment provided full or partial funding for PAT and SFP in FY08 Contract No. 210486.

Public Health Network (PHN)

Grant Amount: \$75,000

Program Director: Jessica Rosman, MPH, PHN Coordinator

C/o: Sullivan County Health Care

5 Nursing Home Drive Claremont NH 03773 Cell Phone 603.398-2222

Grantor: NH State DHHS provided full funding, through FY08 Contract No. 211004, for the Sullivan County Public Health Network program. This program was also run in collaboration with Region 9 All Health Hazard Region (AHHR) grants: AHHR Phase I \$32,740, AHHR Phase II \$38,547 and AHHR Phase III Part I \$10,000 and Part II \$19,679. The AHHR grants were also received through NH State DHHS for regional emergency planning.

Sullivan County NH FY08 COUNTY ANNUAL REPORT

Strategic Prevention Framework (SPF) Region D

Grant Amount: \$232,252

Program Director: Liz Hennig, SPF Region D Coordinator

23 Main Street Newport NH 03773 Cell Phone 603.477-5565

Grantor: NH State DHHS provided full funding for the SPF program through FY08

Contract No. 211017.

JCPenney After School Mini-Grant

Grant Amount: \$9,000

Program Director: Nancy Berry, UNH Cooperative Extension 4-H Educator

UNH Cooperative Extension

24 Main Street Newport NH 03773 Tel. 603.863-9200

Grantor: JCPenney provided full funding for this after school program (no contract

number).

Sullivan County Juvenile Justice Planning Grant (SCJJPG)

Grant Amount: \$31,246

Program Director: Kevin Warwick, Alternative Solutions Associates

SCJJPG Committee Chair: Judge Cardello C/o: Sullivan County Commissioners' Office

14 Main Street Newport NH 03773 Phone: 603.863-2560

Grantor: NH State DHHS Div. For Juvenile Justice Services provided full grant funding for the SCJJPG through the NH Advisory Group Contract No. 06JFFX. This

grant is effective 10/1/2007 through 9/30/2008.

Sullivan County NH FY08 COUNTY ANNUAL REPORT

SULLIVAN COUNTY GRANTS Fund 10 Department 861

FY 08 County Grant Recipients – On July 13, 2007, the County Convention allocated \$179,000 from the General Fund (Fund 10) for county grants as follows:

\$1,000 Chore Corps Program, Grafton Cnty. Sr. Citizens Council, Inc.

o Teresa Volta – Director. Tel. 1-877-711-7787

\$20,000 Claremont Soup Kitchen

o Jan Bunnell - Director. Tel. 543-3290

\$30,500 Community Alliance of Human Services: Family Services

o Julie Carson – Director. Tel. 863-7708

Website:http://www.communityalliance.net/docs/ChildrenYouth/childrenyout h main.htm

\$38,000 Community Alliance of Human Services: Transportation

William LeClair - Director. Tel. 863-0003

Website:http://www.communityalliance.net/docs/PublicTrans/publictrans_main.htm

\$2,000 Friends Program, The

Brooke Noonan – Junior Senior Friends Program Manager, Tel. 228-1193

Website: www.friendsprogram.org

\$2,500 Friends of Newport Enrichment Team

o Darlene Ayotte – Executive Director, Tel. 863-0765

\$20,000 Good Beginnings of Sullivan County

o Ellie Tsetsi - Executive Director, Tel. 542-1848

Website: http://www.goodbeginnings.net/

\$10,000 Lake Sunapee Area Mediation Program, a division of Southwestern Community Services Incorporated

o Rebecca Morley – Program Director. Tel. 542-9528 Ext. 322.

o Website: http://www.scshelps.org/mediation.htm

\$55,000 (fka: Women's Supportive Services) Turning Points Network

Deborah Mozden – Executive Director. Tel. 543-0155.

Grant Application & Process - Around the second week of February, an updated Application is posted on the www.sullivancountynh.gov, along with the County Grants Policy. An electronic version of the application may be requested from the Commissioners Office. Once the application deadline is reached, the Board of Commissioners, the Executive Finance Committee of the Sullivan County Delegation and the County Administrator convene for applicant interviews, at which time, each organization is given an opportunity to provide a brief overview of their program. Once interviews are completed and the Board has reviewed the County Administrator's recommendations for the entire County budget, a Public Hearing is held to present the Board of Commissioners' budget to the Delegation, with the final decision made by the Delegation at the County Convention and published in the Eagle Times. A letter regarding the approval or rejection of any application received is sent to each applicant. Funding for these grants comes from monies raised through County tax payers.

REPORT OF TRUST AND CAPITAL RESERVE FUNDS

\$ 17,985.25

Please insert the total of ALL funds here

Town/City Of: County of Sullivan, NH For Year Ended: FY 2008

CERTIFICATE

This is to certify that the information contained in this report was taken from official records and is correct to the best of our knowledge and belief.

Cynthia Sweeney, County Treasurer

(Aneli) farves

Thomas Donovan, State County Delegate Print and sign Signed by the Trustees of Trust Funds

on this date July 30, 2008

REMINDERS FOR TRUSTEES

- 1. SIGNATURES Print and sign on lines provided above.
- 2. INVESTMENT POLICY RSA 31:32 requires the trustees to adopt an investment policy and review and confirm this policy at least annually.
- 3. PROFESSIONAL BANKING AND BROKERAGE ASSISTANCE RSA 31:38-a enables you to have a professional banking or brokerage firm assist you in performing your trustee duties. Refer to the law for further information. Attributable expenses may be charged against the trust fund involved, however, please be advised the fees can be taken from income only and not from principal.
- **4. WEB SITE** A trustee handbook can be down loaded from the web site for the Attorney General's Charitable Trust Division. www.nh.gov/nhdoj/charitable/
- **5. FAIR VALUE** Fold and complete page 4 to disclose the fair value (market value) of principal only. This information may be obtained from financial publications or from your professional banker or broker.
- **6. CAPITAL RESERVE FUND** Must be kept in a separate account and not intermingled with any other funds of the municipality (RSA 35:9).
- 7.WHEN and WHERE TO FILE By March 1 if filing for a calendar year and by September 1 if filing for optional fiscal year. See addresses on page 4 of this form. If you hold funds for the school, the school business administrator will also need a copy for the school's financial report.

FOR	DRA	LISE	ON	JI.	Y

State of New Hampshire
Department of Revenue Administration
Municipal Services Division
PO Box 487, Concord, NH 03302-0487
(603) 271-3397

MS-9 Rev. 08/05

FY '08 SULLIVAN COUNTY HEALTH CARE TRUST FUND REPORT

	·				D-1	N	Principal	1		-		_ `\
			 	1 1	Balance	New	Cash	i .	Balance	Income	Expended	
Date of		Purpose of	1	1 1	Beginning	Funds	Gains/	· ·	End of	During	During	End
Creation	Name of Trust Fund	Fund	Invested	%	Year	Created	Losses	drawals	Year	Year	Year	of Year
						· · · · · · · · · · · · · · · · · · ·	ļ			· · · · · · · · · · · · · · · · · · ·		
1970	Activities Trust Fund	Active	Bank	100	\$1,547.69		-	-	\$1,547.69	\$1,273.00	\$1,048.45	\$1,772.
							7					
1968	Alix Ungren Fund	Rèstricted	Bank CD			\$2,973.13 (Savings)	-	\$2,973.13	\$3,126.82			\$3,607.
2007	Alix Ungren Fund	Active	Savings		\$2,973.13	_	<u> -</u>		\$2,973.13	\$12.77	\$96.00	\$2,889.
		•										
1998	Book Fund	Restricted	Bank CD	T	\$2,769.89	\$1642.88 (Savings)	-	\$1,642.88	\$1,127.01	\$34.33	\$0.00	\$1,161.
2007	Book Fund	Active	Savings		\$1,642.88	-	-	_	\$1,642.88	\$15.68	\$951.15	
		1										
1970	Elsie Hardison Fund	Restricted	Bank CD		\$1,268.25	145.54 (Savings)	-	145.54	\$1,122.71	\$0.00	\$0.00	\$1,122.
2007	Elsie Hardison Fund	Active	Savings		\$145.54	-	-	-	\$145.54	\$34.15	\$0.00	
		<u></u>			<u> </u>			······································	1			
1965	Nursing Home	Special	Bank	100	\$2,057.98	=	-	-	\$2,057.98	\$19.56	\$0.00	\$2,077.
	Equipment	<u> </u>										· · · ·
				J					1			
2004	SCHC Hospice	Active	Bank	100	\$2,437.82	_	_	_	\$2,437.82	\$185.00	\$0.00	\$2,622.
2004	100:101:1000:00	1 , 100.0	100	1.00	_ +,	l		·	1_+_,	+	70.00	Ψ-,
2001	Resident Store	Active	Bank	1100	\$1,595.29	_	1_	T_	\$1 595 29	\$1 994 46	\$2,830.28	\$759.
2001	Trestaent etere	7.0070	Danie	1.00	7.,500.20	1	J	1	1 + .,	1 + .,00 1. 10	72,000.20	φ, σο
1005	SCHC Vending Fund	Special	Bank	100	\$1,542.85	_	-	<u></u>	\$1,542.85	\$916.08	\$1,374.00	\$1,084
1985								,	GRAND			

Fund This fund is used to provide for the purchase of materials and supplies used in projects carried on by Alix Ungren interested organizations and persons in the nature of recreational and occupational therapy design to aid residents Fund: This fund is used to provide reading materials for the residents of the nursing home. **Book Fund:** This fund is to assist the needy and worthy residents of the nursing home. Elsie Hardison Fund: This fund is used for purchasing equipment that the County did not fund. Includes C. Hatch money. Nursing Home **Equipment Fund:** SCHC Hospice This fund is used for purchases for residents on hospice. Fund: Resident Store: A small store within the nursing Home for residents to make purchases such as clothing, greeting cards, postage stamps, cosmetics, snacks, beverages, etc. SCHC Vending This fund is used for the benefit of the employees. Needs some requimburse from equipment fund.

Fund: This is to certify that the information contained in this report was taken from the official records and is correct to the best of our knowledge and belief.

County Treasurer:

Commissioner:

Delegate: Florian 1 a

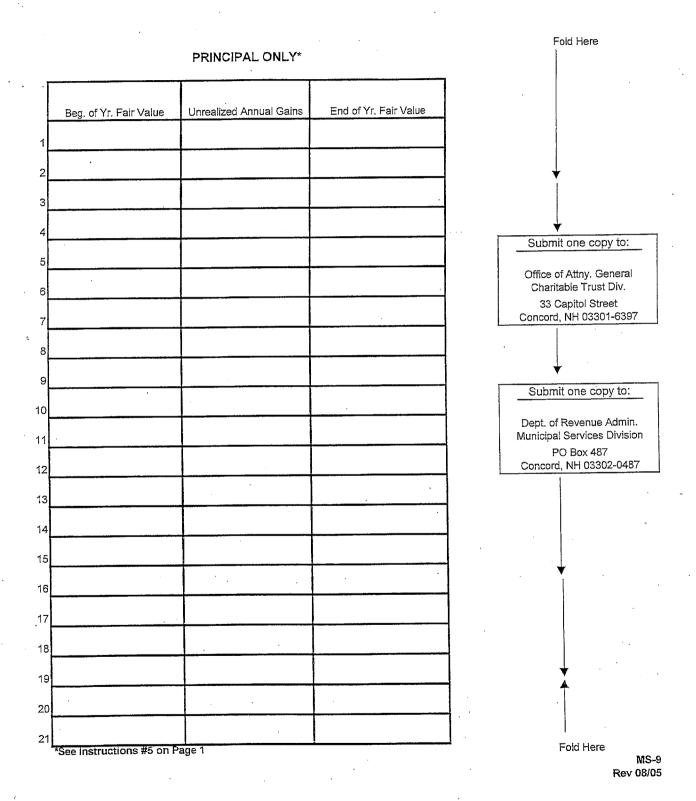
REPORT OF THE TRUST FUNDS OF THE CITY/TOWN OF Unity, New Hampshire

Please duplicate these pages if you need additional lines.

Ī				HOW		**	*PRINCIPAL*	**
	Date of Creation	NAME OF TRUST FUND Start with common trust funds	Purpose of Trust	INVESTED Bank, deposits, stocks, bonds, etc.	%	Balance Beginning of Year	New Funds Created	Cash Gains or Losses on Securities
1	1970	Activities Trust Fund	Active	Bank	100	\$1,547.69	_	-
2	1968	Aliz Ungren Fund	Restricted	Bank		\$6,099.95	\$2,973.13	\$480.38
3	2007	Alix ungren Savings	Active	Bank	100	\$2,973.13	-	\$12.77
4	1998	Book Fund	Restricted	Bank		\$2,769.89	\$1,642.88	\$34.33
5	2007	Book Fund Savings	Active	Bank	100	\$1,642.88	-	
6	1970	Elsie Hardison Fund	Restricted	Bank		\$1,268.25	\$145.54	-
7	2007	Elsie Hardison Savings	Active	Bank	100	\$145.54	-	\$34.15
8	1965	NH Equipment Fund	Special	Bank	100	\$2,057.98	_	\$19.56
9	2004	SCHC Hospice	Active	Bank	100	\$2,437.82		\$185.00
10	· 2001	Resident Store	Active	Bank	100	\$1,595.29	-	-
11	1985	SCHC Vending Fund	Special	Bank	100	\$1,542.85	-	
12			·					
13								
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				INCOME			CIPAL***	***PRIN
	Grand Total Principal & Income End of Year	Balance at End of Year	Expended During Year	During Year Amount	Income %	Balance Beginning of Year	Balance End of Year	Withdrawals
9 1	\$2,820.69	\$1,772.24	\$1,048.45	\$1,273.00		\$1,547.69	\$1,547.69	-
2	\$3,607.20	\$3,607.20	0	\$480.38		\$3,126.82	\$3,126.82	\$2,973.13
3	\$2,985.90	\$2,889.90	\$96.00	\$12.77		\$2,973.13	\$2,973.13	0
4 4	\$1,161.34	\$1,161.34	0	\$34.33		\$1,127.01	\$1,127.01	\$1,642.88
₃ 5	\$1,658.56	\$707.41	\$951.15	\$15.68		\$1,642.88	\$1,642.88	. 0
′1 6	1122.7	\$1,122.71	. 0	0		\$1,122.71	\$1,122.71	\$145.54
39 7	179.6	\$179.69	\$179.69	\$34.15		\$145.54	\$145.54	\$0.00
54 8	2077.5	\$2,077.54	0	\$19.56	•	\$2,057.98	\$2,057.98	°
32 9	2622.8	\$2,622.82	0	\$185		\$2,437.82	\$2,437.82	\$0.00
75 1 ¹	3589.7	. \$759.47	\$2,830.28	\$1,994.46		\$1,595.29		0
)3 1	2458.9	\$1,084.93	\$1,374.00	\$916.08		\$1,542.85	\$1,542.85	\$0.00
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Sullivan County NH FY08 COUNTY ANNUAL REPORT

2007 Town & City	% Proportion to County Tax *	Apportionment of county budget
ACWORTH	2.0580%	213,406
CHARLESTOWN	5.9298%	614,883
CLAREMONT	17.6941%	1,834,765
CORNISH	4.2182%	437,405
CROYDON	1.9828%	205,605
GOSHEN	1.6503%	171,130
GRANTHAM	11.1122%	1,152,264
LANGDON	1.3240%	137,292
LEMPSTER	2.3455%	243,210
NEWPORT	9.7157%	1,007,455
PLAINFIELD	5.7347%	594,649
SPRINGFIELD	4.1064%	425,811
SUNAPEE	24.0137%	2,490,077
UNITY	2.8460%	295,111
WASHINGTON	5.2686%	546,317
TOTALS	100 %	10,369,380
2008	% Proportion to	Apportionment
2008 Town & City	% Proportion to County Tax *	Apportionment of county budget
Town & City	County Tax *	of county budget
Town & City ACWORTH	County Tax * 2.2140%	of county budget 286,856
Town & City ACWORTH CHARLESTOWN	County Tax *	of county budget 286,856 786,899
Town & City ACWORTH	County Tax * 2.2140% 6.0735%	of county budget 286,856 786,899 2,227,178
Town & City ACWORTH CHARLESTOWN CLAREMONT	County Tax * 2.2140% 6.0735% 17.1900%	of county budget 286,856 786,899
Town & City ACWORTH CHARLESTOWN CLAREMONT CORNISH	2.2140% 6.0735% 17.1900% 3.9001%	of county budget 286,856 786,899 2,227,178 505,309
Town & City ACWORTH CHARLESTOWN CLAREMONT CORNISH CROYDON	2.2140% 6.0735% 17.1900% 3.9001% 2.0516%	of county budget 286,856 786,899 2,227,178 505,309 265,814
Town & City ACWORTH CHARLESTOWN CLAREMONT CORNISH CROYDON GOSHEN	2.2140% 6.0735% 17.1900% 3.9001% 2.0516% 1.8156%	of county budget 286,856 786,899 2,227,178 505,309 265,814 235,234
ACWORTH CHARLESTOWN CLAREMONT CORNISH CROYDON GOSHEN GRANTHAM	2.2140% 6.0735% 17.1900% 3.9001% 2.0516% 1.8156% 10.8564%	286,856 786,899 2,227,178 505,309 265,814 235,234 1,406,580
ACWORTH CHARLESTOWN CLAREMONT CORNISH CROYDON GOSHEN GRANTHAM LANGDON	2.2140% 6.0735% 17.1900% 3.9001% 2.0516% 1.8156% 10.8564% 1.2889%	286,856 786,899 2,227,178 505,309 265,814 235,234 1,406,580 166,992
ACWORTH CHARLESTOWN CLAREMONT CORNISH CROYDON GOSHEN GRANTHAM LANGDON LEMPSTER	2.2140% 6.0735% 17.1900% 3.9001% 2.0516% 1.8156% 10.8564% 1.2889% 2.2931%	of county budget 286,856 786,899 2,227,178 505,309 265,814 235,234 1,406,580 166,992 297,102
ACWORTH CHARLESTOWN CLAREMONT CORNISH CROYDON GOSHEN GRANTHAM LANGDON LEMPSTER NEWPORT	2.2140% 6.0735% 17.1900% 3.9001% 2.0516% 1.8156% 10.8564% 1.2889% 2.2931% 9.8988%	286,856 786,899 2,227,178 505,309 265,814 235,234 1,406,580 166,992 297,102 1,282,506
ACWORTH CHARLESTOWN CLAREMONT CORNISH CROYDON GOSHEN GRANTHAM LANGDON LEMPSTER NEWPORT PLAINFIELD	2.2140% 6.0735% 17.1900% 3.9001% 2.0516% 1.8156% 10.8564% 1.2889% 2.2931% 9.8988% 5.4272%	of county budget 286,856 786,899 2,227,178 505,309 265,814 235,234 1,406,580 166,992 297,102 1,282,506 703,155
ACWORTH CHARLESTOWN CLAREMONT CORNISH CROYDON GOSHEN GRANTHAM LANGDON LEMPSTER NEWPORT PLAINFIELD SPRINGFIELD	2.2140% 6.0735% 17.1900% 3.9001% 2.0516% 1.8156% 10.8564% 1.2889% 2.2931% 9.8988% 5.4272% 4.2184%	286,856 786,899 2,227,178 505,309 265,814 235,234 1,406,580 166,992 297,102 1,282,506 703,155 546,549
ACWORTH CHARLESTOWN CLAREMONT CORNISH CROYDON GOSHEN GRANTHAM LANGDON LEMPSTER NEWPORT PLAINFIELD SPRINGFIELD SUNAPEE	2.2140% 6.0735% 17.1900% 3.9001% 2.0516% 1.8156% 10.8564% 1.2889% 2.2931% 9.8988% 5.4272% 4.2184% 24.8148%	286,856 786,899 2,227,178 505,309 265,814 235,234 1,406,580 166,992 297,102 1,282,506 703,155 546,549 3,215,056

Submitted by: Cynthia Sweeney County Treasurer

Apportionments set by NH State Department of Revenue Administration. * Rounded for display. Actual apportionment based on detailed figures.

		JUNE, 2008		
		YTD Revenues	YTD Expenditures	Deficit
Fund 10		(11,071,530.11)	10,386,287.08	
Fund 22		(455,837.47)	373,648.32	
Fund 24		(527,471.20)	533,048.95	
Fund 30		(1,591,862.00)	1,427,760.49	
Fund 40		(12,190,865.35)	13,719,857.22	
Fund 41		(5,319.69)	6,203.88	
Fund 42		(18,200.00)	33,563.19	
Fund 43		(1,500.00)	3,000.00	
G	irand Total	(25,862,585.82)	26,483,369.13	620,783.31
Auditors do not	have fund 43 inc	cluded in their totals		1,500.00
Total without Fu	und 43			619,283.31
Melanson Heat				619,286.00
	en G/L & MHCO			(2.69)

A. Monthly Revenu	ie - Summary				Fı	om Date: 7/1	/2007	To Date:	6/30/2008
Fiscal Year: 2007-2008		☐ Include pre e	ncumbrance	⊘ Pr	int accounts wit	h zero balance	Filter Encu	ımbrance Detail b	by Date Range
Account Number	Description	07-08 GL Bud	Adjustments	Adj. Budget	Current	YTD	Balance	Encumbrance	Budget Bal % Rem
10.100.00000	SUBSIDIARY REVENUES	(\$10,392,080.00)	\$0.00	(\$10,392,080.00)	(\$10,401,227.55)	(\$10,401,227.55)	\$9,147.55	\$0.00	\$9,147.55 -0.09%
10.301.00000	COUNTY PARTY FUND	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00 0.00%
10.404.00000	INCENTIVE	(\$164,323.00)	\$0.00	(\$164,323.00)	(\$157,946.47)	(\$157,946.47)	(\$6,376.53)	\$0.00	(\$6,376.53) 3.88%
10.410.00000	COUNTY ATTORNEY	(\$1,000.00)	\$0.00	(\$1,000.00)	(\$6,451.05)	(\$6,451.05)	\$5,451.05	\$0.00	\$5,451.05 -545.11%
10.411.00000	VICTIM/WITNESS PROGRAM	(\$35,000.00)	\$0.00	(\$35,000.00)	(\$35,195.38)	(\$35,195.38)	\$195.38	\$0.00	\$195.38 -0.56%
10.440.00000	SHERIFFS DEPARTMENT	(\$86,000.00)	\$0.00	(\$86,000.00)	(\$92,381.99)	(\$92,381.99)	\$6,381.99	\$0.00	\$6,381.99 -7.42%
10.443.00000	DEPUTY SHERIFFS BAILIFFS	(\$52,234.00)	\$0.00	(\$52,234.00)	(\$54,331.88)	(\$54,331.88)	\$2,097.88	\$0.00	\$2,097.88 -4.02%
10.460.00000	COURT HOUSE	(\$190,583.00)	\$0.00	(\$190,583.00)	(\$186,362.34)	(\$186,362.34)	(\$4,220.66)	\$0.00	(\$4,220.66) 2.21%
10.475.00000	COOPERATIVE EXTENSION	\$0.00	\$0.00	\$0.00	(\$79.20)	(\$79.20)	\$79.20	\$0.00	\$79.20 0.00%
10.490.00000	SERVICE HUMAN SERVICES	\$0.00	\$0.00	\$0.00	(\$14,427.00)	(\$14,427.00)	\$14,427.00	\$0.00	\$14,427.00 0.00%
10.491.00000	LONG TERM CARE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00 0.00%
10.600.00000	COORDINATOR DEPARTMENT OF CORRECTION	(\$90,000.00)	\$0.00	(\$90,000.00)	(\$74,723.55)	(\$74,723.55)	(\$15,276.45)	\$0.00	(\$15,276.45) 16.97%
10.870.00000	ECONOMIC DEVELOPMENT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00 0.00%
10.995.00000	AGENCY TRANSFER IN	(\$75,322.00)	\$0.00	(\$75,322.00)	(\$48,403.70)	(\$48,403.70)	(\$26,918.30)	\$0.00	(\$26.918.30) 35.74%
10.997.00000	TRANSFER IN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00 0.00%
Fund: GENERAL	FUND - 10	(\$11,086,542.00)	\$0.00	(\$11,086,542.00)	(\$11,071,530.11)	(\$11,071,530.11)	(\$15,011.89)	\$0.00	(\$15,011.89)
22.010.00000	REGISTRY EQUIPMENT FUND	\$0.00	\$0.00	\$0.00	(\$18,330.26)	(\$18,330.26)	\$18,330.26	\$0.00	\$18,330.26 0.00%
22,420.00000	REGISTER OF DEEDS	(\$450,000.00)	\$0.00	(\$450,000.00)	(\$437,507.21)	(\$437,507.21)	(\$12,492.79)	\$0.00	(\$12,492.79) 2.78%
Fund: REGISTER OF D	DEEDS - 22	(\$450,000.00)	\$0.00	(\$450,000.00)	(\$455,837.47)	(\$455,837.47)	\$5,837.47	\$0.00	\$5,837.47
24.000.00000	FUND 24 (GRANTS)	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00 0.00%
24.010.00000	RADIO REIMBURSEMENT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00 0.00%
24.097.00000	FORFEITURE FUND EQUITY	\$0.00	\$0.00	\$0.00	(\$96.00)	(\$96.00)	\$96.00	\$0.00	\$96.00 0.00%
24.202.00000	SAMSHA GRANT	\$0.00	\$0.00	\$0.00	\$0.00	(\$146.16)	\$146.16	\$0.00	\$146.16 0.00%
24.225.00000	OPERATING GRANT PUBLIC	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00 0.00%
24.345.00000	SAFETY ENFORCING UNDERAGE	(\$30,000.00)	\$0.00	(\$30,000.00)	(\$26,700.00)	(\$26,700.00)	(\$3,300.00)	\$0.00	(\$3,300.00) 11.00%
24.411.00000	DRINKING LAWS VOCA GRANT VICTIM/WITNESS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00 0.00%
24.425.00000	WELLNESS GRANT	\$0.00	\$0.00	\$0.00	(\$504.00)	(\$504.00)	\$504.00	\$0.00	\$504.00 0.00%
24.445.00000	DOMESTIC VIOLENCE GRANT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00 0.00%
24.475.00000	COOPERATIVE EXTENSION	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00 0.00%
24.500.00000	SERVICE GRANT FISH/GAME LAND	(\$3,200.00)	\$0.00	(\$3,200.00)	(\$4,700.00)	(\$4,700.00)	\$1,500.00	\$0.00	\$1,500.00 -46.88%
24.525.00000	IMPROVEMENT HOMELAND SECURITY: AHERN	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00 0.00%
24.526.00000	BLDG WNHSOU	\$0.00	\$0.00	\$0.00	\$0.00		\$0.00	\$0.00	\$0.00 0.00%
24.527.00000	JAG GRANT	(\$18,000.00)	\$0.00	(\$18,000.00)			(\$8,143.11)	\$0.00	(\$8,143.11) 45.24%
24.545.00000	COPS GRANT	\$0.00	\$0.00	\$0.00			\$0.00	\$0.00	\$0.00 0.00%

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A. Monthly	Revenue - Summary				Fr	om Date: 7/1/	2007	To Date:	6/30/2008	
Fiscal Year: 20	007-2008	☐ Include pre en	cumbrance	. 🔽 Pr	int accounts wit	h zero balance	Filter Encu	ımbrance Detail	by Date Range	
Account Number	Description	07-08 GL Bud	Adjustments	Adj. Budget	Current	YTD	Balance	Encumbrance	•	
24.643.00000	DJJS PLANNING	\$0.00	\$0.00	\$0.00	(\$23,853.39)	(\$23,853.39)	\$23,853.39	\$0.00	\$23,853.39	0.00%
24.645.00000	OUTSIDE DETAIL	(\$40,920.00)	\$0.00	(\$40,920.00)	(\$79,064.76)	(\$79,064.76)	\$38,144.76	\$0.00	\$38,144.76	-93.22%
24.646.00000	HIGHWAY SAFETY	(\$5,214.00)	\$0.00	(\$5,214.00)	(\$15,886.75)	(\$15,886.75)	\$10,672.75	\$0.00	\$10,672.75	-204.69%
24.647.00000	OHRV	(\$4,500.00)	\$0.00	(\$4,500.00)	(\$5,287.50)	(\$5,287.50)	\$787.50	\$0.00	\$787.50	-17.50%
24.725.00000	EMERGENCY PLANNING	(\$1,000.00)	\$0.00	(\$1,000.00)	\$0.00	\$0.00	(\$1,000.00)	\$0.00	(\$1,000.00)	100.00%
24.745.00000	DRUG TASK FORCE AGENT	(\$91,007.00)	\$0.00	(\$91,007.00)	(\$70,896.28)	(\$70,896.28)	(\$20,110.72)	\$0.00	(\$20,110.72)	22.10%
24.800.00000	FEASIBILITY STUDY	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.930.00000	UNH/NET JCPENNEY \$9,000	\$0.00	\$0.00	\$0.00	(\$9,000.00)	(\$9,000.00)	\$9,000.00	\$0.00	\$9,000.00	0.00%
24.938.00000	GSCAHR PHASE III 2	\$0.00	\$0.00	\$0.00	(\$14,759.00)	(\$14,759.00)	\$14,759.00	\$0.00	\$14,759.00	0.00%
24.939.00000	GSCAHHR II	\$0.00	\$0.00	\$0.00	(\$10,000.00)	(\$10,000.00)	\$10,000.00	\$0.00	\$10,000.00	0.00%
24.940.00000	GSCAHHR PHASE II	(\$34,725.00)	\$0.00	(\$34,725.00)	(\$6,833.00)	(\$6,833.00)	(\$27,892.00)	\$0.00	(\$27,892.00)	80.32%
24.941.00000	GSCAHHR	\$0.00	\$0.00	\$0.00	(\$14,500.00)	(\$14,500.00)	\$14,500.00	\$0.00	\$14,500.00	0.00%
24.943.00000	STRENGTHENING FAMILIES	(\$23,940.00)	\$0.00	(\$23,940.00)	(\$30,412.42)	(\$30,412.42)	\$6,472.42	\$0.00	\$6,472.42	-27.04%
24.944.00000	PROG 3 S.CTY. INTERVENTION PROG 2	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.945.00000	LADAC,WORKFORCE GRANT	\$0.00	\$0.00	\$0.00	(\$4,318.22)	(\$4,318.22)	\$4,318.22	\$0.00	\$4,318.22	0.00%
24.946.00000	NEWPORT ENRICHMENT	(\$62,549.00)	\$0.00	(\$62,549.00)	\$0.00	\$0.00	(\$62,549.00)	\$0.00	(\$62,549.00)	100.00%
24.947.00000	CLAREMONT TEEN RESOURCE	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.948.00000	CENTE PARENTS AS TEACHERS	(\$14,060.00)	\$0.00	(\$14,060.00)	(\$17,826.59)	(\$17,826.59)	\$3,766.59	\$0.00	\$3,766.59	-26.79%
24.949.00000	CAC GRAFTON/SULLIVAN CTY	(\$40,000.00)	\$0.00	(\$40,000.00)	(\$29,368.92)	(\$29,368.92)	(\$10,631.08)	\$0.00	(\$10,631.08)	26.58%
24.950.00000	SAMSHA FY06	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.951.00000	EH PHASE I	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.952.00000	AG EXTENSION GRANT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
24.953.00000	REVENUE STRATEGIC PREVENTION	\$0.00	\$0.00	\$0.00	(\$81,507.83)	(\$81,507.83)	\$81,507.83	\$0.00	\$81,507.83	0.00%
24.955.00000	FRAMEWORK PHNC	\$0.00	\$0.00	\$0.00	(\$71,953.49)	(\$71,953.49)	\$71,953.49	\$0.00	\$71,953.49	0.00%
	Fund: GRANTS - 24	(\$369,115.00)	\$0.00	(\$369,115.00)	(\$527,325.04)	(\$527,471.20)	\$158,356.20	\$0.00	\$158,356.20	
30.097.00000	TRANSFERS	(\$1,591,862.00)	\$0.00	(\$1,591,862.00)	(\$1,591,862.00)	(\$1,591,862.00)	\$0.00	\$0.00	\$0.00	0.00%
30.700.00000	FACILITIES	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
30.997.00000	TRANSFER OUT	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%
Fund: INTE	ERGOVERNMENTAL - 30	(\$1,591,862.00)	\$0.00	(\$1,591,862.00)	(\$1,591,862.00)	(\$1,591,862.00)	\$0.00	\$0.00	\$0.00	
40.097.00000	SCHC INCOME	(\$13,828,091.00)	\$0.00	(\$13,828,091.00)	(\$12,190,240.60)	(\$12,190,240.60)	(\$1,637,850.40)	\$0.00	(\$1,637,850.40)	11.84%
40.530.00000	DIETARY	(\$5,000.00)	\$0.00	(\$5,000.00)	(\$624.75)	(\$624.75)	(\$4,375.25)	\$0.00	(\$4,375.25)	
40.997.00000	TRANSFER OUT	\$0.00	\$0.00	\$0.00	COLORS OF PROPERTY AND PROPERTY	\$0.00	\$0.00	\$0.00		0.00%
Fu	und: HEALTH CARE - 40	(\$13,833,091.00)				(\$12,190,865.35)	(\$1,642,225.65)	\$0.00	(\$1,642,225.65)	
41.097.00000	TRUST FUNDS	\$0.00	\$0.00	\$0.00	(\$5,319.69)	(\$5,319.69)	\$5,319.69	\$0.00	\$5,319.69	0.00%
Fi	und: TRUST FUNDS - 41	\$0.00	\$0.00	\$0.00			\$5,319.69	\$0.00	\$5,319.69	
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A. Monthly Reversional Year: 2007-200	•	☐ Include pre e	encumbrance	∠ Pr	From Date: 7/1/2007 ✓ Print accounts with zero balance ☐ Filter				To Date: 6/30/2008		
Account Number	Description	07-08 GL Bud	Adjustments	Adj. Budget	Current	YTD	Balance	Encumbrance	Budget Bal	% Rem	
42.079.00000	NURSING HOME ADDITIONS	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	\$0.00	0.00%	
42.097.00000	CAPITAL	\$0.00	\$0.00	\$0.00	(\$4,200.00)	(\$4,200.00)	\$4,200.00	\$0.00	\$4,200.00	0.00%	
42.954.00000	MRF (MATERIAL RECOVERY FACILITY)	\$0.00	\$0.00	\$0.00	(\$14,000.00)	(\$14,000.00)	\$14,000.00	\$0.00	\$14,000.00	0.00%	
Fund: CAPITAL IMPRO	OVEMENTS - 42	\$0.00	\$0.00	\$0.00	(\$18,200.00)	(\$18,200.00)	\$18,200.00	\$0.00	\$18,200.00		
43.097.00000	THE MEADOWS	\$0.00	\$0.00	\$0.00	(\$1,500.00)	(\$1,500.00)	\$1,500.00	\$0.00	\$1,500.00	0.00%	
Fund: THE!	MEADOWS - 43	\$0.00	\$0.00	\$0.00	(\$1,500.00)	(\$1,500.00)	\$1,500.00	\$0.00	\$1,500.00		
Grand Total:		(\$27,330,610.00)	\$0.00	(\$27,330,610.00)	(\$25,862,439.66)	(\$25,862,585.82)	(\$1,468,024.18)	\$0.00	(\$1,468,024.18)		

End of Report

	Summary Expense report by Dept					/2007 To Date: 6/30/2008		6/30/2008	
Fiscal Year: 2007-2008		☐ Include pre e	ncumbrance	Pri	nt accounts with	zero balance	Filter Encu	ımbrance Detail t	by Date Range
Account Number	Description	07-08 GL Bud	Adjustments	Adj. Budget	Current	YTD	Balance	Encumbrance	Budget Bal % Rem
10.400.00000	COMMISSIONERS OFFICE	\$250,845.00	\$0.00	\$250,845.00	\$197,593.03	\$197,593.03	\$53,251.97	\$0.00	\$53,251.97 21.23%
10.401.00000	TREASURER	\$7,273.00	\$0.00	\$7,273.00	\$7,491.17	\$7,491.17	(\$218.17)	\$0.00	(\$218.17) -3.00%
10.402.00000	AUDITOR	\$33,625.00	\$3,511.00	\$37,136.00	\$37,136.00	\$37,136.00	\$0.00	\$0.00	\$0.00 0.00%
10.403.00000	COUNTY ADMINISTRATOR	\$156,887.00	\$1,700.00	\$158,587.00	\$136,546.37	\$136,546.37	\$22,040.63	\$0.00	\$22,040.63 13.90%
10.404.00000	INCENTIVE	\$164,323.00	\$0.00	\$164,323.00	\$156,081.77	\$156,081.77	\$8,241.23	\$0.00	\$8,241.23 5.02%
10.405.00000	PAYROLL OFFICE	\$90,782.00	\$0.00	\$90,782.00	\$79,577.32	\$79,577.32	\$11,204.68	\$0.00	\$11,204.68 12.34%
10.406.00000	CONSERVATION DISTRICT	\$61,362.00	\$0.00	\$61,362.00	\$59,770.99	\$59,770.99	\$1,591.01	\$0.00	\$1,591.01 2.59%
10.407.00000	EMERGENCY RESERVE FUND	\$15,000.00	\$0.00	\$15,000.00	\$0.00	\$0.00	\$15,000.00	\$0.00	\$15,000.00 100.00%
10.410.00000	COUNTY ATTORNEY	\$451,359.00	\$0.00	\$451,359.00	\$398,698.81	\$398,698.81	\$52,660.19	\$0.00	\$52,660.19 11.67%
10.411.00000	VICTIM/WITNESS PROGRAM	\$63,031.00	\$0.00	\$63,031.00	\$61,830.50	\$61,830.50	\$1,200.50	\$0.00	\$1,200.50 1.90%
10.440.00000	SHERIFFS DEPARTMENT	\$589,969.00	\$0.00	\$589,969.00	\$572,345.87	\$572,345.87	\$17,623.13	\$0.00	\$17,623.13 2.99%
10.443.00000	DEPUTY SHERIFFS BAILIFFS	\$52,234.00	\$0.00	\$52,234.00	\$55,121.83	\$55,121.83	(\$2,887.83)	\$0.00	(\$2,887.83) -5.53%
10.450.00000	MEDICAL REFEREE	\$9,000.00	\$0.00	\$9,000.00	\$8,840.12	\$8,840.12	\$159.88	\$0.00	\$159.88 1.78%
10.460.00000	COURT HOUSE	\$120,136.00	\$0.00	\$120,136.00	\$88,676.08	\$88,676.08	\$31,459.92	\$0.00	\$31,459.92 26.19%
10.475.00000	COOPERATIVE EXTENSION	\$238,918.00	\$0.00	\$238,918.00	\$228,322.99	\$228,322.99	\$10,595.01	\$0.00	\$10,595.01 4.43%
10.490.00000	SERVICE HUMAN SERVICES	\$4,363,158.00	\$0.00	\$4,363,158.00	\$4,325,780.49	\$4,325,780.49	\$37,377.51	\$0.00	\$37,377.51 0.86%
10.497.00000	WOODHULL COUNTY COMPLEX	\$98,840.00	\$0.00	\$98,840.00	\$112,661.73	\$112,661.73	(\$13,821.73)	\$0.00	(\$13,821.73) -13.98%
10.600.00000	DEPARTMENT OF CORRECTION	\$2,881,479.00	\$0.00	\$2,881,479.00	\$2,682,337.69	\$2,682,337.69	\$199,141.31	\$0.00	\$199,141.31 6.91%
10.861.00000	COUNTY GRANTS	\$179,000.00	\$0.00	\$179,000.00	\$178,500.00	\$178,500.00	\$500.00	\$0.00	\$500.00 0.28%
10.900.00000	INTEREST LONG TERM NOTES	\$80,000.00	\$0.00	\$80,000.00	\$127,880.52	\$127,880.52	(\$47,880.52)	\$0.00	(\$47,880.52) -59.85%
10.980.00000	DELEGATION	\$12,100.00	\$0.00	\$12,100.00	\$9,615.49	\$9,615.49	\$2,484.51	\$0.00	\$2,484.51 20.53%
10.997.00000	TRANSFER IN	\$774,564.00	\$0.00	\$774,564.00	\$861,478.31	\$861,478.31	(\$86,914.31)	\$0.00	(\$86,914.31) -11.22%
Fund: GENERAL	FUND - 10	\$10,693,885.00	\$5,211.00	\$10,699,096.00	\$10,386,287.08	\$10,386,287.08	\$312,808.92	\$0.00	\$312,808.92
22.420.00000	REGISTER OF DEEDS	\$450,250.00	\$0.00	\$450,250.00	\$325,244.62	\$325,244.62	\$125,005.38	\$0.00	\$125,005.38 27.76%
22.997.00000	TRANSFER OUT	\$0.00	\$0.00	\$0.00	\$48,403.70	\$48,403.70	(\$48,403.70)	\$0.00	(\$48,403.70) 0.00%
Fund: REGISTER OF D	DEEDS - 22	\$450,250.00	\$0.00	\$450,250.00	\$373,648.32	\$373,648.32	\$76,601.68	\$0.00	\$76,601.68
24.301.00000	DEPT	\$0.00	\$0.00	\$0.00	\$148.48	\$148.48	(\$148.48)	\$0.00	(\$148.48) 0.00%
24.345.00000	ENFORCING UNDERAGE	\$30,000.00	\$0.00	\$30,000.00	\$26,526.99	\$26,526.99	\$3,473.01	\$0.00	\$3,473.01 11.58%
24.425.00000	DRINKING LAWS WELLNESS GRANT	\$0.00	\$0.00	\$0.00	\$504.00	\$504.00	(\$504.00)	\$0.00	(\$504.00) 0.00%
24.527.00000	JAG GRANT	\$18,000.00	\$0.00	\$18,000.00	\$9,856.89	\$9,856.89	\$8,143.11	\$0.00	\$8,143.11 45.24%
24.643.00000	DJJS PLANNING	\$0.00	\$0.00	\$0.00	\$23,853.39	\$23,853.39	(\$23,853.39)	\$0.00	(\$23,853.39) 0.00%
24.645.00000	OUTSIDE DETAIL	\$40,920.00	\$0.00	\$40,920.00	\$75,101.70	\$75,101.70	(\$34,181.70)	\$0.00	(\$34,181.70) -83.53%
24.646.00000	HIGHWAY SAFETY	\$5,214.00	\$0.00	\$5,214.00	\$15,280.86	\$15,280.86	(\$10,066.86)	\$0.00	(\$10,066.86) -193.07%
24.647.00000	OHRV	\$4,500.00	\$0.00	\$4,500.00	\$4,985.05	\$4,985.05	(\$485.05)	\$0.00	(\$485.05) -10.78%

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A. Summary Expen	se report by Dept				Fro	om Date: 7/1/	2007	To Date:	6/30/2008
Fiscal Year: 2007-2008		Include pre e	encumbrance	☐ Pri	nt accounts with	zero balance	Filter Encu	ımbrance Detail I	by Date Range
Account Number	Description	07-08 GL Bud	Adjustments	Adj. Budget	Current	YTD	Balance	Encumbrance	Budget Bal % Rem
24.700.00000	FACILITIES	\$3,200.00	\$0.00	\$3,200.00	\$5,060.00	\$5,060.00	(\$1,860.00)	\$0.00	(\$1,860.00) -58.13%
24.725.00000	EMERGENCY PLANNING	\$1,000.00	\$0.00	\$1,000.00	\$0.00	\$0.00	\$1,000.00	\$0.00	\$1,000.00 100.00%
24.745.00000	DRUG TASK FORCE AGENT	\$91,007.00	\$0.00	\$91,007.00	\$70,896.28	\$70,896.28	\$20,110.72	\$0.00	\$20,110.72 22.10%
24.930.00000	UNH/NET JCPENNEY \$9,000	\$0.00	\$0.00	\$0.00	\$9,000.00	\$9,000.00	(\$9,000.00)	\$0.00	(\$9,000.00) 0.00%
24.938.00000	GSCAHR PHASE III 2	\$0.00	\$0.00	\$0.00	\$18,077.35	\$18,077.35	(\$18,077.35)	\$0.00	(\$18,077.35) 0.00%
24.939.00000	GSCAHHR II	\$0.00	\$0.00	\$0.00	\$8,981.01	\$8,981.01	(\$8,981.01)	\$0.00	(\$8,981.01) 0.00%
24.940.00000	GSCAHHR PHASE II	\$34,725.00	\$0.00	\$34,725.00	\$34,750.86	\$34,750.86	(\$25.86)	\$0.00	(\$25.86) -0.07%
24.941.00000	GSCAHHR	\$0.00	\$0.00	\$0.00	\$14,500.00	\$14,500.00	(\$14,500.00)	\$0.00	(\$14,500.00) 0.00%
24.943.00000	STRENGTHENING FAMILIES PROG 3	\$23,940.00	\$0.00	\$23,940.00	\$23,151.25	\$23,151.25	\$788.75	\$0.00	\$788.75 3.29%
24.945.00000	LADAC, WORKFORCE GRANT	\$0.00	\$0.00	\$0.00	\$9.75	\$9.75	(\$9.75)	\$0.00	(\$9.75) 0.00%
24.946.00000	NEWPORT ENRICHMENT	\$62,549.00	\$0.00	\$62,549.00	(\$1,033.64)	(\$1,033.64)	\$63,582.64	\$0.00	\$63,582.64 101.65%
24.948.00000	PARENTS AS TEACHERS	\$14,060.00	\$0.00	\$14,060.00	\$14,018.35	\$14,018.35	\$41.65	\$0.00	\$41.65 0.30%
24.949.00000	CAC GRAFTON/SULLIVAN CTY	\$40,000.00	\$0.00	\$40,000.00	\$25,374.12	\$25,374.12	\$14,625.88	\$0.00	\$14,625.88 36.56%
24.951.00000	EH PHASE !	\$0.00	\$0.00	\$0.00	\$1,014.68	\$1,014.68	(\$1,014.68)	\$0.00	(\$1,014.68) 0.00%
24.953.00000	STRATEGIC PREVENTION FRAMEWORK	\$0.00	\$0.00	\$0.00	\$80,044.96	\$80,044.96	(\$80,044.96)	\$0.00	(\$80,044.96) 0.00%
24.955.00000	PHNC	\$0.00	\$0.00	\$0.00	\$72,946.62	\$72,946.62	(\$72,946.62)	\$0.00	(\$72,946.62) 0.00%
Fund: GR.	ANTS - 24	\$369,115.00	\$0.00	\$369,115.00	\$533,048.95	\$533,048.95	(\$163,933.95)	\$0.00	(\$163,933.95)
30.409.00000	ACCOUNTING	\$50,000.00	(\$5,211.00)	\$44,789.00	\$28,106.10	\$28,106.10	\$16,682.90	\$0.00	\$16,682.90 37.25%
30.520.00000	HUMAN RESOURCES	\$234,539.00	\$0.00	\$234,539.00	\$190,324.00	\$190,324.00	\$44,215.00	\$0.00	\$44,215.00 18.85%
30.550.00000	OPERATION OF PLANT	\$1,180,896.00	\$65,250.00	\$1,246,146.00	\$1,164,076.79	\$1,164,076.79	\$82,069.21	\$0.00	\$82,069.21 6.59%
30.555.00000	CENTRAL SUPPLY	\$55,598.00	\$0.00	\$55,598.00	\$35,788.50	\$35,788.50	\$19,809.50	\$0.00	\$19,809.50 35.63%
30.700.00000	FACILITIES	\$8,200.00	\$0.00	\$8,200.00	\$6,993.10	\$6,993.10	\$1,206.90	\$0.00	\$1,206.90 14.72%
30.997.00000	TRANSFER OUT	\$2,472.00	\$0.00	\$2,472.00	\$2,472.00	\$2,472.00	\$0.00	\$0.00	\$0.00 0.00%
Fund: INTERGOVERNME	NTAL - 30 .	\$1,531,705.00	\$60,039.00	\$1,591,744.00	\$1,427,760.49	\$1,427,760.49	\$163,983.51	\$0.00	\$163,983.51
40.097.00000	SCHC INCOME	\$0.00	\$0.00	\$0.00	\$153,939.00	\$153,939.00	(\$153,939.00)	\$0.00	(\$153,939.00) 0.00%
40.492.00000	MARKETING	\$146,253.00	(\$1,750.00)	\$144,503.00	\$61,737.80	\$61,737.80	\$82,765.20	\$0.00	\$82,765.20 57.28%
40.500.00000	ADMINISTRATION NURSING	\$1,290,206.00	(\$27,000.00)	\$1,263,206.00	\$1,285,603.83	\$1,285,603.83	(\$22,397.83)	\$0.00	(\$22,397.83) -1.77%
40.510.00000	HOME DEPRECIATION	\$0.00	\$0.00	\$0.00	\$436,203.00	\$436,203.00	(\$436,203.00)	\$0.00	(\$436,203.00) 0.00%
40.530.00000	DIETARY	\$1,745,072.00	\$0.00	\$1,745,072.00	\$1,546,808.06	\$1,546,808.06	\$198,263.94	\$0.00	\$198,263.94 11.36%
40.540.00000	NURSING	\$6,883,622.00	(\$1,232,629.00)	\$5,650,993.00	\$5,481,644.18	\$5,481,644.18	\$169,348.82	\$0.00	\$169,348.82 3.00%
40.541.00000 {	NURSING ON-CALL	\$407,196.00	\$1,231,629.00	\$1,638,825.00	\$1,626,369.68	\$1,626,369.68	\$12,455.32	\$0.00	\$12,455.32 0.76%
40.550.00000	OPERATION OF PLANT	\$0.00	\$0.00	\$0.00	\$8,000.00	\$8,000.00	(\$8,000.00)	\$0.00	(\$8,000.00) 0.00%
40.560.00000	LAUNDRY & LINEN	\$374,557.00	\$571.00	\$375,128.00	\$354,096.33	\$354,096.33	\$21,031.67	\$0.00	\$21,031.67 5.61%
40.570.00000	HOUSEKEEPING	\$665,384.00	(\$36,071.00)	\$629,313.00	\$522,538.74	\$522,538.74	\$106,774.26	\$0.00	\$106,774.26 16.97%

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Report: rptGLGenRptwBudgetAdj

A. Summary Exper	nse report by Dept			Fro	om Date: 7/1/	2007	To Date:	6/30/2008	
Fiscal Year: 2007-2008		☐ Include pre e	ncumbrance	Pri	nt accounts with	zero balance	Filter Encu	ımbrance Detail I	
Account Number	Description	07-08 GL Bud	Adjustments	Adj. Budget	Current	YTD	Balance	Encumbrance	Budget Bal % Rem
40.580.00000	PHYSICIAN & PHARMACY	\$55,000.00	\$0.00	\$55,000.00	(\$6,270.11)	(\$6,270.11)	\$61,270.11	\$0.00	\$61,270.11 111.40%
40.585.00000	MEDICARE PART A	\$469,232.00	\$0.00	\$469,232.00	\$577,016.34	\$577,016.34	(\$107,784.34)	\$0.00	(\$107,784.34) -22.97%
40.586.00000	MEDICARE PART B	\$217,266.00	\$0.00	\$217,266.00	\$348,115.32	\$348,115.32	(\$130,849.32)	\$0.00	(\$130,849.32) -60.23%
40.589.00000	MEDICAID SPEECH	\$0.00	\$0.00	\$0.00	\$916.88	\$916.88	(\$916.88)	\$0.00	(\$916.88) 0.00%
40.591.00000	PHYSICAL THERAPY	\$40,000.00	\$0.00	\$40,000.00	\$39,445.76	\$39,445.76	\$554.24	\$0.00	\$554.24 1.39%
40.592.00000	OCCUPATIONAL THERAPY	\$30,590.00	\$0.00	\$30,590.00	\$17,431.63	\$17,431.63	\$13,158.37	\$0.00	\$13,158.37 43.02%
40.593.00000	RECREATIONAL THERAPY	\$387,483.00	\$0.00	\$387,483.00	\$314,972.96	\$314,972.96	\$72,510.04	\$0.00	\$72,510.04 18.71%
40.594.00000	SOCIAL SERVICES	\$126,940.00	\$0.00	\$126,940.00	\$121,333.20	\$121,333.20	\$5,606.80	\$0.00	\$5,606.80 4.42%
40.596.00000	DENTAL SERVICE	\$24,000.00	\$0.00	\$24,000.00	\$22,600.62	\$22,600.62	\$1,399.38	\$0.00	\$1,399.38 5.83%
40.997.00000	TRANSFER OUT	\$807,354.00	\$0.00	\$807,354.00	\$807,354.00	\$807,354.00	\$0.00	\$0.00	\$0.00 0.00%
Fund: HEALTH CARE - 40		\$13,670,155.00	(\$65,250.00)	\$13,604,905.00	\$13,719,857.22	\$13,719,857.22	(\$114,952.22)	\$0.00	(\$114,952.22)
41.501.00000	NH RESIDENT FUND	\$0.00	\$0.00	\$0.00	\$2,830.28	\$2,830.28	(\$2,830.28)	\$0.00	(\$2,830.28) 0.00%
41.504.00000	NH ACTIVITY FUND	\$0.00	\$0.00	\$0.00	\$1,048.45	\$1,048.45	(\$1,048.45)	\$0.00	(\$1,048.45) 0.00%
41.505.00000	NH BOOK FUND	\$0.00	\$0.00	\$0.00	\$951.15	\$951.15	(\$951.15)	\$0.00	(\$951.15) 0.00%
41.507.00000	NH VENDING FUND	\$0.00	\$0.00	\$0.00	\$1,374.00	\$1,374.00	(\$1,374.00)	\$0.00	(\$1,374.00) 0.00%
Fund: TRUST F	FUNDS - 41	\$0.00	\$0.00	\$0.00	\$6,203.88	\$6,203.88	(\$6,203.88)	\$0.00	(\$6,203.88)
42.497.00000	WOODHULL COUNTY COMPLEX	\$12,000.00	\$0.00	\$12,000.00	\$480.00	\$480.00	\$11,520.00	\$0.00	\$11,520.00 96.00%
42.550.00000	OPERATION OF PLANT	\$410,000.00	\$0.00	\$410,000.00	\$33,207.31	\$33,207.31	\$376,792.69	\$0.00	\$376,792.69 91.90%
42.560.00000	LAUNDRY AND LINEN	\$0.00	\$0.00	\$0.00	(\$199.86)	(\$199.86)	\$199.86	\$0.00	\$199.86 0.00%
42.700.00000	FACILITIES	\$193,500.00	\$0.00	\$193,500.00	\$86,990.05	\$86,990.05	\$106,509.95	\$0.00	\$106,509.95 55.04%
42.999.00000	DEPT	\$0.00	\$0.00	\$0.00	(\$86,914.31)	(\$86,914.31)	\$86,914.31	\$0.00	\$86,914.31 0.00%
Fund: CAPITAL IMPROVEN	MENTS - 42	\$615,500.00	\$0.00	\$615,500.00	\$33,563.19	\$33,563.19	\$581,936.81	\$0.00	\$581,936.81
43.511.00000	THE MEADOWS	\$0.00	\$0.00	\$0.00	\$3,000.00	\$3,000.00	(\$3,000.00)	\$0.00	(\$3,000.00) 0.00%
Fund: THE MEA	DOWS - 43	\$0.00	\$0.00	\$0.00	\$3,000.00	\$3,000.00	(\$3,000.00)	\$0.00	(\$3,000.00)
Grand Total:		\$27,330,610.00	\$0.00	\$27,330,610.00	\$26,483,369.13	\$26,483,369.13	\$847,240.87	\$0.00	\$847,240.87

End of Report

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SULLIVAN COUNTY, NEW HAMPSHIRE Annual Financial Statements For the Year Ended June 30, 2008

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CERTIFIED PUBLIC ACCOUNTANTS
MANAGEMENT ADVISORS

102 Perimeter Road Nashua, NH 03063-1301 Tel (603) 882-1111 * Fax (603) 882-9456 www.melansonheath.com

INDEPENDENT AUDITORS' REPORT

To the Board of Commissioners Sullivan County Newport, New Hampshire

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Sullivan County, New Hampshire, as of and for the year ended June 30, 2008, which collectively comprise the County's basic financial statements as listed in the table of contents. These financial statements are the responsibility of Sullivan County's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinions.

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the governmental activities, the business-type activities, each major fund, and the aggregate remaining fund information of Sullivan County, as of June 30, 2008, and the respective changes in financial position and cash flows, where applicable, thereof and the respective budgetary comparison for the year then ended in conformity with accounting principles generally accepted in the United States of America.

The management's discussion and analysis, appearing on the following pages, is not a required part of the basic financial statements but is supplementary information required by accounting principles generally accepted in the United States of America. We have applied certain limited procedures, which consisted principally of inquiries of management regarding the methods of measurement and presenta-

tion of the required supplementary information. However, we did not audit the information and express no opinion on it.

Melanson, Heath + Company P.C.

Nashua, New Hampshire September 26, 2008

MANAGEMENT'S DISCUSSION AND ANALYSIS

As management of Sullivan County, we offer readers this narrative overview and analysis of the financial activities of Sullivan County for the fiscal year ended June 30, 2008.

A. OVERVIEW OF THE FINANCIAL STATEMENTS

This discussion and analysis is intended to serve as an introduction to the basic financial statements. The basic financial statements are comprised of three components: (1) government-wide financial statements, (2) fund financial statements, and (3) notes to the financial statements. This report also contains other supplementary information in addition to the basic financial statements themselves.

<u>Government-wide financial statements</u>. The government-wide financial statements are designed to provide readers with a broad overview of our finances in a manner similar to a private-sector business.

The statement of net assets presents information on all assets and liabilities, with the difference between the two reported as net assets. Over time, increases or decreases in net assets may serve as a useful indicator of whether the financial position is improving or deteriorating.

The statement of activities presents information showing how the County's net assets changed during the most recent fiscal year. All changes in net assets are reported as soon as the underlying event giving rise to the change occurs, regardless of the timing of related cash flows. Thus, revenues and expenses are reported in this statement for some items that will only result in cash flows in future fiscal periods (e.g., earned but unused vacation leave).

Both of the government-wide financial statements distinguish functions that are principally supported by taxes and intergovernmental revenues (governmental activities) from other functions that are intended to recover all or a significant portion of their costs through user fees and charges (business-type activities). The governmental activities include General Government, County Attorney's Office, Commissioners Office, Public Safety, Corrections, Health and Welfare, Cooperative Extension and Register of Deeds. The business-type activities include Nursing Home activities.

<u>Fund financial statements</u>. A fund is a grouping of related accounts that is used to maintain control over resources that have been segregated for specific activities or objectives. Fund accounting is used to ensure and demonstrate

compliance with finance-related legal requirements. All of the funds can be divided into three categories: governmental funds, proprietary funds and fiduciary funds.

Governmental funds. Governmental funds are used to account for essentially the same functions reported as governmental activities in the government-wide financial statements. However, unlike the government-wide financial statements, governmental fund financial statements focus on near-term inflows and outflows of spendable resources, as well as on balances of spendable resources available at the end of the fiscal year. Such information may be useful in evaluating a government's near-term financing requirements.

Because the focus of governmental funds is narrower than that of the government-wide financial statements, it is useful to compare the information presented for governmental funds with similar information presented for governmental activities in the government-wide financial statements. By doing so, readers may better understand the long-term impact of the County's near-term financing decisions. Both the governmental fund balance sheet and the governmental fund statement of revenues, expenditures and changes in fund balances provide a reconciliation to facilitate this comparison between governmental funds and governmental activities. The governmental fund financial statements provide separate information for the General Fund and Register of Deeds operations, which are considered to be major funds.

An annual appropriated budget is adopted for the general fund. A budgetary comparison statement has been provided for the general fund to demonstrate compliance with this budget.

Proprietary funds. Proprietary funds are maintained as follows:

Enterprise funds are used to report the same functions presented as businesstype activities in the government-wide financial statements. Specifically, enterprise funds are used to account for nursing home operations.

Proprietary funds provide the same type of information as the business-type activities reported in the government-wide financial statements, only in more detail. The proprietary fund financial statements provide separate information for the nursing home operations, which is considered to be a major fund.

<u>Notes to the financial statements</u>. The notes provide additional information that are essential to a full understanding of the data provided in the government-wide and fund financial statements.

<u>Other information</u>. In addition to the basic financial statements and accompanying notes, this report also presents certain required supplementary information which is required to be disclosed by the accounting principles generally accepted in the United States of America.

B. FINANCIAL HIGHLIGHTS

- As of the close of the current fiscal year, the total of assets exceeded liabilities by \$ 4,293,147 (i.e., net assets), a change of \$ (891,266) in comparison to the prior year.
- As of the close of the current fiscal year, governmental funds reported combined ending fund balances of \$ 1,261,647, a change of \$ 910,592 in comparison with the prior year.
- At the end of the current fiscal year, unreserved fund balance for the general fund was a deficit balance of \$ (3,906,123), a change of \$ (657,896) in comparison with the prior year.

C. GOVERNMENT-WIDE FINANCIAL ANALYSIS

The following is a summary of condensed government-wide financial data for the current and prior fiscal years. All amounts are presented in thousands.

	Governmental Activities		Business-Type <u>Activities</u>		<u>Total</u>	
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	2008	<u>2007</u>
Current and other assets Non-current assets	\$ 530 <u>8,036</u>	\$ 487 <u>6,629</u>	\$ 2,298 (<u>799</u>)	\$ 1,688 4,489	\$ 2,828 7,237	\$ 2,175 11,118
Total assets	8,566	7,116	1,499	6,177	10,065	13,293
Long-term liabilities outstandir Other liabilities	ng 145 <u>4,361</u>	131 <u>3,564</u>	193 <u>1,073</u>	3,610 <u>804</u>	338 <u>5,434</u>	3,741 <u>4,368</u>
Total liabilities	4,506	3,695	1,266	4,414	5,772	8,109
Net assets: Invested in capital assets, net Unrestricted	2,943 <u>1,117</u>	3,201 	4,293 (<u>4,060</u>)	4,489 (<u>2,726</u>)	7,236 (<u>2,943</u>)	7,690 (<u>2,506</u>)
Total net assets	\$ <u>4.060</u>	\$ <u>3,421</u>	\$ <u>233</u>	\$ <u>1,763</u>	\$ <u>4,293</u>	\$ <u>5.184</u>

CHANGES IN NET ASSETS

	<u>Act</u>	nmental i <u>vities</u>	<u>Acti</u>	ess-Type vities		otal
	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>	<u>2008</u>	<u>2007</u>
Revenues:	ф 7 04	r 047	Ф 44 0 00	ው <i>ለለ ለግ</i> ባ	ድ ፈር ወርፈ	e 42 040
Charges for services Operating grants	\$ 791 613	\$ 847 627	\$ 11,233 -	\$ 11,172 -	\$ 12,024 613	\$ 12,019 627
County tax	10,370	9,284	_	-	10,370	9,284
Investment income	10	40		-	10	40
Other Total revenues	<u>227</u> 12,011	<u>197</u> 10,995	<u>84</u> 11,317	<u>162</u> 11,334	<u>311</u> 23,328	359 22,329
rotarrevenues	1.2,011	10,990	11,517	11,004	20,020	22,020
Expenses:	0.040	0 447			0.040	0 4 4 7
General government County Attorney	2,343 400	2,147 373	-	-	2,343 400	2,147 373
Commissioners office	199	181	-	-	199	181 -
Public safety	841	825	-	. 7	841	825
Corrections	2,830	2,604	40.040	40 440	2,830	2,604
County Nursing Home Health and welfare	4,957	- 5,025	12,040	12,113	12,040 4,957	12,113 5,025
Cooperative extension	291	282		_	291	282
Register of Deeds	<u>318</u>	<u>354</u>			<u>318</u>	<u>354</u>
Total expenses	<u>12,179</u>	11,791	<u>12,040</u>	<u>12,113</u>	24,219	<u>23,904</u>
Change in net assets before					•	
transfers	(168)	(796)	(723)	(779)	(891)	(1,575)
Transfers in (out)	807	<u>1,338</u>	(<u>807</u>)	(_1,338)		
Increase (decrease) in net assets	639	542	(1,530)	(2,117)	(891)	(1,575)
Net assets - beginning of year	3,421	2,879	_1,763	3,880	<u>5,184</u>	6,759
Net assets - end of year	\$ <u>4,060</u>	\$ <u>3,421</u>	\$ <u>233</u>	\$ <u>1,763</u>	\$ <u>4,293</u>	\$ <u>5.184</u>

As noted earlier, net assets may serve over time as a useful indicator of a government's financial position. At the close of the most recent fiscal year, total net assets were \$ 4,293,147, a change of \$ (891,266) from the prior year.

The largest portion of net assets \$ 7,236,570 reflects our investment in capital assets (e.g., land, buildings, machinery and equipment), less any related debt used to acquire those assets that is still outstanding. These capital assets are used to provide services to citizens; consequently, these assets are not available for future spending. Although the investment in capital assets is reported net of related debt, it should be noted that the resources needed to repay this debt must be provided from other sources, since the capital assets themselves cannot be used to liquidate these liabilities.

Governmental and business-type activities. Governmental and business-type activities for the year resulted in a change in net assets of \$ (891,266). Key elements of this change are as follows:

	All Funds
Operating Results: Deficiency of revenues over budget Expenditures less than budgetary appropriations	\$ (1,551,055) 1,249,038
Timing Differences: Difference between prior year encumbrances and current year encumbrances Current year depreciation expense in excess of current year principal debt service Other timing differences	(151,026) (746,740) 15,496
Other: Capital asset purchases	293,021
Total	\$ (<u>891,266</u>)

D. FINANCIAL ANALYSIS OF THE GOVERNMENT'S FUNDS

As of the end of the current fiscal year, combined ending fund balances for all funds was \$1,494,556, a change of \$ (619,286) from the prior year. Key elements of this change are as follows:

	All Funds
Revenues in excess of budget Expenditures less than budget Prior year encumbrances over current year Other	\$ (1,551,055) 1,249,038 (151,026) (166,243)
Total	\$ (<u>619,286</u>)

The general fund is the chief operating fund. At the end of the current fiscal year, unreserved fund balance of the general fund was a deficit of \$ (3,906,123).

The fund balance of the general fund changed by \$ 849,343 during the current fiscal year. Key factors in this change are as follows:

	General <u>Fund</u>
Deficiency of general fund revenues over budget Expenditures less than appropriations Current year encumbrances in excess of prior	\$ (2,599) 618,210
year encumbrances (timing difference) Other	(39,977) <u>273,729</u>
Total	\$ <u>849.343</u>

<u>Proprietary funds</u>. Proprietary funds provide the same type of information found in the business-type activities reported in the government-wide financial statements, but in more detail.

Unrestricted net assets of the enterprise funds at the end of the year amounted to a deficit of \$ (4,060,190), a change of \$ (1,333,985) in comparison with the prior year.

Other factors concerning the finances of proprietary funds have already been addressed in the entity-wide discussion of business-type activities.

E. CAPITAL ASSET AND DEBT ADMINISTRATION

<u>Capital assets</u>. Total investment in capital assets for governmental and business-type activities at year end amounted to \$7,236,570 (net of accumulated depreciation), a decrease of \$ (493,871) from the prior year. This investment in capital assets includes land, buildings and improvements, and machinery and equipment.

<u>Long-term debt</u>. There is no outstanding debt, as capital leases were repaid in full during current fiscal year.

Additional information on capital assets and long-term debt can be found in the footnotes to the financial statements.

REQUESTS FOR INFORMATION

This financial report is designed to provide a general overview of the County's finances for all those with an interest in the government's finances. Questions concerning any of the information provided in this report or requests for additional financial information should be addressed to:

Board of Commissioners
Sullivan County
14 Main Street
Newport, New Hampshire 03773

STATEMENT OF NET ASSETS

JUNE 30, 2008

	Governmental <u>Activities</u>	Business-Type <u>Activities</u>	<u>Total</u>
ASSETS			
Current:			
Cash and short-term investments	\$ 221,573	\$ 18,716	\$ 240,289
Accounts receivable, net of allowances	87,624	2,157,998	2,245,622
Other assets	221,441	2,707,000	221,441
Inventory	- 1, T11	35,769	35,769
Restricted cash	-	85,740	85,740
Noncurrent:			,
Internal balances	5,092,139	(5,092,139)	-
Capital assets, net of accumulated depreciation	2,943,471	4,293,099	7,236,570
Capital accord, flor of accountained copy columns.			
TOTAL ASSETS	8,566,248	1,499,183	10,065,431
0	, .,	, ,	
LIABILITIES			
Current:			
Accounts payable	680,042	457,347	1,137,389
Accrued liabilities	434,745	517,581	952,326
Other liabilities	121,342	12,839	134,181
Revenue anticipation notes payable	3,125,000	**	3,125,000
Due to residents	-	85,740	85,740
Noncurrent:			
Accrued compensated absences	144,881	192,767	337,648
TOTAL LIABILITIES	4,506,010	1,266,274	5,772,284
NET ASSETS	0.040.474	4 303 000	7 226 570
Invested in capital assets, net of related debt	2,943,471	4,293,099	7,236,570
Unrestricted	1,116,767	(4,060,190)	(2,943,423)
TOTAL NET ASSETS	\$_4,060,238_	\$232,909	\$4,293,147_

STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2008

		Program Revenues		Net (Expenses) Revenues and Changes in Net Assets			
	<u>Expenses</u>	Charges for Services	Operating Grants and Contributions	Capital Grants and Contributions	Governmental Activities	Business- Type <u>Activities</u>	Total
Governmental Activities:							
General government County Attorney's office Commissioners' office	\$ 2,343,176 400,276 198,653	\$ 181,909 -	\$ 180,157 6,451	\$ - -	\$ (1,981,110) (393,825)	\$ -	\$ (1,981,110) (393,825)
Public safety Corrections	840,617 2,829,996	79,065 74,724	128,627	- - 	(198,653) (632,925) (2,755,272)	- - -	(198,653) (632,925) (2,755,272)
Health and welfare Cooperative extension Register of Deeds	4,957,298 291,158 317,696_	- - 455,837_	297,472 - -	-	(4,659,826) (291,158) 138,141	-	(4,659,826) (291,158) 138,141
Total Governmental Activities	12,178,870	791,535	612,707	-	(10,774,628)	-	(10,774,628)
Business-Type Activities: Nursing Home	12,039,097	11,232,585		_		(806,512)	(806,512)
Total Business-Type Activities	12,039,097	11,232,585	_	_		(806,512)	(806,512)
Total	\$ 24,217,967	\$ 12,024,120	\$_612,707	\$	(10,774,628)	(806,512)	(11,581,140)
		General Revent County tax Investment ind Miscellaneous Transfers, net	ome		10,369,380 9,710 226,796 807,354	83,988 	10,369,380 9,710 310,784
		Total general rev	renues and transfers		11,413,240	(723,366)	10,689,874
		Change in N	et Assets		638,612	(1,529,878)	(891,266)
		Net Assets: Beginning of y	ear		3,421,626	1,762,787	5,184,413
		End of year			\$4,060,238	\$ 232,909	\$ <u>4,293,147</u>

GOVERNMENTAL FUNDS

BALANCE SHEET

JUNE 30, 2008

ASSETS	<u>General</u>	Register of <u>Deeds</u>	Nonmajor Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
Cash and short-term investments Departmental and other receivables Due from (to) other funds Advance from other funds Other assets	\$ 130,850 17,096 17,775 5,092,139 221,441	\$ 88,934 - 6,491 - -	\$ 1,789 . 70,528 (24,266) -	\$ 221,573 87,624 - 5,092,139 221,441
TOTAL ASSETS	\$ 5,479,301	\$ <u>95,425</u>	\$_48,051	\$_5,622,777
LIABILITIES AND FUND BALANCES				
Liabilities: Accounts payable Accrued liabilities Other liabilities Revenue anticipation notes payable	\$ 669,527 419,831 78,927 	\$ 2,546 12,527 30,365	\$ 7,969 2,387 12,051	\$ 680,042 434,745 121,343 3,125,000
TOTAL LIABILITIES	4,293,285	45,438	22,407	4,361,130
Fund Balances: Reserved for advances Unreserved:	5,092,139	-	-	5,092,139
Undesignated, reported in: General fund Special revenue funds	(3,906,123)	49,987	25,644	(3,906,123) 75,631
TOTAL FUND BALANCES	1,186,016	49,987	25,644	1,261,647
TOTAL LIABILITIES AND FUND BALANCES	\$_5,479,301_	\$ 95,425	\$ 48,051	\$5,622,777

RECONCILIATION OF TOTAL GOVERNMENTAL FUND BALANCES TO NET ASSETS OF GOVERNMENTAL ACTIVITIES IN THE STATEMENT OF NET ASSETS

JUNE 30, 2008

Total governmental fund balances	\$	1,261,647
 Capital assets used in governmental activities are not financial resources and, therefore, are not reported in the funds. 		2,943,471
 Long-term liabilities, including accrued compensated absences, are not due and payable in the current period and, therefore, are not reported in the governmental funds. 		(144.880)
Net assets of governmental activities	(\$ <u>4,060,238</u>

GOVERNMENTAL FUNDS

STATEMENT OF REVENUES, EXPENDITURES AND CHANGES IN FUND BALANCES

FOR THE YEAR ENDED JUNE 30, 2008

Revenues: County taxes \$10,369,380 \$. \$. \$. \$ 10,369,380 \$. \$. \$. \$ 10,369,380 \$. \$. \$. \$. \$ 10,369,380 \$. \$. \$. \$. \$. \$. \$. \$. \$. \$		<u>General</u>	Register of <u>Deeds</u>	Nonmajor Governmental <u>Funds</u>	Total Governmental <u>Funds</u>
Charges for services 256,633 455,837 79,065 791,535 Intergovernmental investment income 9,710 - - - 9,710 Miscellaneous 208,500 - 18,296 226,796 Total Revenues 11,006,621 455,837 545,671 12,010,129 Expenditures: Current: General government 1,925,154 - 20,572 1,945,726 County Attorney's office 385,710 - - 385,710 Commissioners' office 195,511 - - 195,511 Public safety 625,020 - 20,648 827,668 Corrections 2,676,700 - - 2,676,700 Health and welfare 4,645,495 - 309,827 4,955,322 Cooperative extension 286,216 - 317,772 - 286,216 Register of Deeds - 317,772 - 120,478 188,385 Debt service 127,881 - -		•			
Intergovernmental 164,398 - 448,310 612,708 Investment income 9,710 - 1,206,500 - 1,206 226,796 Total Revenues 11,008,621 455,837 545,671 12,010,129 Expenditures:					
Investment income 9,710 -		•	455,837		
Miscellaneous 208,500 - 18,296 226,798 Total Revenues 11,008,621 455,837 545,671 12,010,129 Expenditures: Current: Current: Ceneral government 1,925,154 - 20,572 1,945,726 County Attorney's office 385,710 - - 385,716 Commissioners' office 195,511 - - 195,511 Public safety 625,020 - 202,648 827,668 Corrections 2,676,700 - - 2,676,700 Health and welfare 4,645,495 - 309,827 4,955,322 Cooperative extension 286,216 - - 286,216 Register of Deeds - 317,772 - 317,772 Capital expenditures 67,907 - 120,478 188,385 Debt service 127,881 - 120,478 188,385 Otal Expenditures 73,027 138,065 (107,854) 103,238 <td></td> <td></td> <td>•</td> <td>448,310</td> <td></td>			•	448,310	
Total Revenues	,,,,,		-	_	
Expenditures: Current: Ceneral government 1,925,154 - 20,572 1,945,726 County Attorney's office 385,710 385,710 County Attorney's office 195,511 195,511 Public safety 625,020 - 202,648 827,668 Corrections 2,676,700 - 2,676,700 Health and welfare 4,645,495 - 309,827 4,955,322 Cooperative extension 286,216 - 286,216 Register of Deeds - 317,772 - 317,772 Capital expenditures 67,907 - 120,478 188,385 Debt service 127,881 - - 127,881 Total Expenditures 73,027 138,065 (107,854) 103,238 Cother Financing Sources (Uses): Transfers in 1,640,266 - 86,914 1,727,180 Transfers out (863,950) (55,876) - (919,826) Total Other Financing Sources (Uses) 776,316 (55,876) 86,914 807,354 Excess (deficiency) of revenues and other sources over expenditures and other sources over expenditures and other uses 849,343 82,189 (20,940) 910,592 Fund Equity, at Beginning of Year 336,673 (32,202) 46,584 351,055					
Current: General government 1,925,154 - 20,572 1,945,726 County Attorney's office 385,710 - - 385,710 County Attorney's office 195,511 - - 195,511 Public safety 625,020 - 202,648 827,668 Corrections 2,676,700 - 2,676,700	Total Revenues	11,008,621	455,837	545,671	12,010,129
Ceneral government	Expenditures:				
County Attorney's office 385,710 - 385,710 Commissioners' office 195,511 - - 195,511 Public safety 625,020 - 202,648 827,668 Corrections 2,676,700 - - 2,676,700 Health and welfare 4,645,495 - 309,827 4,955,322 Cooperative extension 286,216 - - 286,216 Register of Deeds - 317,772 - 317,772 Capital expenditures 67,907 - 120,478 188,385 Debt service 127,881 - - 127,881 Total Expenditures 10,935,594 317,772 653,525 11,906,891 Excess (deficiency) of revenues over expenditures 73,027 138,065 (107,854) 103,238 Other Financing Sources (Uses): Transfers in Transfers in Transfers out Total Other Financing Sources (Uses) 776,316 (55,876) - 919,826 Excess (deficiency) of revenues and other sources over expenditures and other uses <td< td=""><td>Current:</td><td></td><td></td><td></td><td></td></td<>	Current:				
Commissioners office 195,511 - - 195,511 Public safety 625,020 - 202,648 827,668 Corrections 2,676,700 - - 2,676,700 Health and welfare 4,645,495 - 309,827 4,955,322 Cooperative extension 286,216 - - 286,216 Register of Deeds - 317,772 - 317,772 Capital expenditures 67,907 - 120,478 188,385 Debt service 127,881 - - - 127,881 Total Expenditures 10,935,594 317,772 653,525 11,906,891 Excess (deficiency) of revenues over expenditures 73,027 138,065 (107,854) 103,238 Other Financing Sources (Uses): Transfers in 1,640,266 - 86,914 1,727,180 Total Other Financing Sources (Uses) 776,316 (55,876) - (919,826) Total Other Financing Sources (Uses) 776,316 (55,876) <t< td=""><td>General government</td><td></td><td>•</td><td>20,572</td><td></td></t<>	General government		•	20,572	
Public safety 625,020 - 202,648 827,668 Corrections 2,676,700 - - 2,676,700 Health and welfare 4,645,495 - 309,827 4,955,322 Cooperative extension 286,216 - - 286,216 Register of Deeds - 317,772 - 317,772 Capital expenditures 67,907 - 120,478 188,385 Debt service 127,881 - - 127,881 Total Expenditures 10,935,594 317,772 653,525 11,906,891 Excess (deficiency) of revenues over expenditures 73,027 138,065 (107,854) 103,238 Other Financing Sources (Uses): 1,640,266 - 86,914 1,727,180 Transfers in 1,640,266 - 86,914 1,727,180 Transfers out (863,950) (55,876) - (919,826) Total Other Financing Sources (Uses) 776,316 (55,876) 86,914 807,354 Excess (deficiency) of revenue	County Attorney's office		-	-	
Corrections 2,676,700 - - 2,676,700 Health and welfare 4,645,495 - 309,827 4,955,322 Cooperative extension 286,216 - - 286,216 Register of Deeds - 317,772 - 317,772 Capital expenditures 67,907 - 120,478 188,385 Debt service 127,881 - - 127,881 Total Expenditures 10,935,594 317,772 653,525 11,906,891 Excess (deficiency) of revenues over expenditures 73,027 138,065 (107,854) 103,238 Other Financing Sources (Uses): Transfers in 1,640,266 - 86,914 1,727,180 Transfers out (863,950) (55,876) - (919,826) Total Other Financing Sources (Uses) 776,316 (55,876) 86,914 807,354 Excess (deficiency) of revenues and other sources over expenditures and other uses 849,343 82,189 (20,940) 910,592 Fund Equity, at Beginning of Year	Commissioners' office		-	-	
Health and welfare 4,645,495 - 309,827 4,955,322 Cooperative extension 286,216 - - 286,216 Register of Deeds - 317,772 - 317,772 Capital expenditures 67,907 - 120,478 188,385 Debt service 127,881 - - 127,881 Total Expenditures 10,935,594 317,772 653,525 11,906,891 Excess (deficiency) of revenues over expenditures 73,027 138,065 (107,854) 103,238 Other Financing Sources (Uses): Transfers in 1,640,266 - 86,914 1,727,180 Transfers out (863,950) (55,876) - (919,826) Total Other Financing Sources (Uses) 776,316 (55,876) 86,914 807,354 Excess (deficiency) of revenues and other sources over expenditures and other uses 849,343 82,189 (20,940) 910,592 Fund Equity, at Beginning of Year 336,673 (32,202) 46,584 351,055	Public safety		-	202,648	-
Cooperative extension 286,216 - 286,216 Register of Deeds - 317,772 - 317,772 Capital expenditures 67,907 - 120,478 188,385 Debt service 127,881 - - 127,881 Total Expenditures 10,935,594 317,772 653,525 11,906,891 Excess (deficiency) of revenues over expenditures 73,027 138,065 (107,854) 103,238 Other Financing Sources (Uses): Transfers in 1,640,266 - 86,914 1,727,180 Transfers out (863,950) (55,876) - (919,826) Total Other Financing Sources (Uses) 776,316 (55,876) 86,914 807,354 Excess (deficiency) of revenues and other sources over expenditures and other uses 849,343 82,189 (20,940) 910,592 Fund Equity, at Beginning of Year 336,673 (32,202) 46,584 351,055	Corrections	• •	-	-	· ·
Register of Deeds - 317,772 - 317,772 Capital expenditures 67,907 - 120,478 188,385 Debt service 127,881 - - 127,881 Total Expenditures 10,935,594 317,772 653,525 11,906,891 Excess (deficiency) of revenues over expenditures 73,027 138,065 (107,854) 103,238 Other Financing Sources (Uses): 776,327 - 86,914 1,727,180 Transfers out (863,950) (55,876) - (919,826) Total Other Financing Sources (Uses) 776,316 (55,876) 86,914 807,354 Excess (deficiency) of revenues and other sources over expenditures and other uses 849,343 82,189 (20,940) 910,592 Fund Equity, at Beginning of Year 336,673 (32,202) 46,584 351,055	Health and welfare		-	309,827	
Capital expenditures 67,907 - 120,478 188,385 Debt service 127,881 - - 127,881 Total Expenditures 10,935,594 317,772 653,525 11,906,891 Excess (deficiency) of revenues over expenditures 73,027 138,065 (107,854) 103,238 Other Financing Sources (Uses): Transfers in 1,640,266 - 86,914 1,727,180 Transfers out (863,950) (55,876) - (919,826) Total Other Financing Sources (Uses) 776,316 (55,876) 86,914 807,354 Excess (deficiency) of revenues and other sources over expenditures and other uses 849,343 82,189 (20,940) 910,592 Fund Equity, at Beginning of Year 336,673 (32,202) 46,584 351,055	Cooperative extension	286,216	-	-	286,216
Debt service 127,881 - - 127,881 Total Expenditures 10,935,594 317,772 653,525 11,906,891 Excess (deficiency) of revenues over expenditures 73,027 138,065 (107,854) 103,238 Other Financing Sources (Uses): Transfers in 1,640,266 - 86,914 1,727,180 Transfers out (863,950) (55,876) - (919,826) Total Other Financing Sources (Uses) 776,316 (55,876) 86,914 807,354 Excess (deficiency) of revenues and other sources over expenditures and other uses 849,343 82,189 (20,940) 910,592 Fund Equity, at Beginning of Year 336,673 (32,202) 46,584 351,055	Register of Deeds	-	317,772	-	317,772
Total Expenditures 10,935,594 317,772 653,525 11,906,891 Excess (deficiency) of revenues over expenditures 73,027 138,065 (107,854) 103,238 Other Financing Sources (Uses): Transfers in 1,640,266 - 86,914 1,727,180 Transfers out (863,950) (55,876) - (919,826) Total Other Financing Sources (Uses) 776,316 (55,876) 86,914 807,354 Excess (deficiency) of revenues and other sources over expenditures and other uses 849,343 82,189 (20,940) 910,592 Fund Equity, at Beginning of Year 336,673 (32,202) 46,584 351,055	Capital expenditures		-	120,478	
Excess (deficiency) of revenues over expenditures 73,027 138,065 (107,854) 103,238 Other Financing Sources (Uses): Transfers in 1,640,266 - 86,914 1,727,180 Transfers out (863,950) (55,876) - (919,826) Total Other Financing Sources (Uses) 776,316 (55,876) 86,914 807,354 Excess (deficiency) of revenues and other sources over expenditures and other uses 849,343 82,189 (20,940) 910,592 Fund Equity, at Beginning of Year 336,673 (32,202) 46,584 351,055	Debt service		-	-	
over expenditures 73,027 138,065 (107,854) 103,238 Other Financing Sources (Uses): Transfers in 1,640,266 - 86,914 1,727,180 Transfers out (863,950) (55,876) - (919,826) Total Other Financing Sources (Uses) 776,316 (55,876) 86,914 807,354 Excess (deficiency) of revenues and other sources over expenditures and other uses 849,343 82,189 (20,940) 910,592 Fund Equity, at Beginning of Year 336,673 (32,202) 46,584 351,055	Total Expenditures	10,935,594	317,772	653,525	11,906,891
Other Financing Sources (Uses): Transfers in 1,640,266 - 86,914 1,727,180 Transfers out (863,950) (55,876) - (919,826) Total Other Financing Sources (Uses) 776,316 (55,876) 86,914 807,354 Excess (deficiency) of revenues and other sources over expenditures and other uses 849,343 82,189 (20,940) 910,592 Fund Equity, at Beginning of Year 336,673 (32,202) 46,584 351,055	Excess (deficiency) of revenues				
Transfers in 1,640,266 - 86,914 1,727,180 Transfers out (863,950) (55,876) - (919,826) Total Other Financing Sources (Uses) 776,316 (55,876) 86,914 807,354 Excess (deficiency) of revenues and other sources over expenditures and other uses 849,343 82,189 (20,940) 910,592 Fund Equity, at Beginning of Year 336,673 (32,202) 46,584 351,055	over expenditures	73,027	138,065	(107,854)	103,238
Transfers in 1,640,266 - 86,914 1,727,180 Transfers out (863,950) (55,876) - (919,826) Total Other Financing Sources (Uses) 776,316 (55,876) 86,914 807,354 Excess (deficiency) of revenues and other sources over expenditures and other uses 849,343 82,189 (20,940) 910,592 Fund Equity, at Beginning of Year 336,673 (32,202) 46,584 351,055	Other Financing Sources (Uses):				
Total Other Financing Sources (Uses) 776,316 (55,876) 86,914 807,354 Excess (deficiency) of revenues and other sources over expenditures and other uses 849,343 82,189 (20,940) 910,592 Fund Equity, at Beginning of Year 336,673 (32,202) 46,584 351,055	- · · · · · · · · · · · · · · · · · · ·	1,640,266		86,914	
Excess (deficiency) of revenues and other sources over expenditures and other uses 849,343 82,189 (20,940) 910,592 Fund Equity, at Beginning of Year 336,673 (32,202) 46,584 351,055	Transfers out	(863,950)	(55,876)		(919,826)
sources over expenditures and other uses 849,343 82,189 (20,940) 910,592 Fund Equity, at Beginning of Year 336,673 (32,202) 46,584 351,055	Total Other Financing Sources (Uses)	776,316	(55,876)	86,914	807,354
tund Equity, at Boginning 5. Too.	1	849,343	82,189	(20,940)	910,592
Fund Equity, at End of Year \$ 1,186,016 \$ 49,987 \$ 25,644 \$ 1,261,647	Fund Equity, at Beginning of Year	336,673	(32,202)	46,584	351,055
	Fund Equity, at End of Year	\$ <u>1,186,016</u>	\$ 49,987	\$25,644	\$ <u>1,261,647</u>

RECONCILIATION OF THE STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES OF GOVERNMENTAL FUNDS TO THE STATEMENT OF ACTIVITIES

FOR THE YEAR ENDED JUNE 30, 2008

\$ 910.592 NET CHANGE IN FUND BALANCES - TOTAL GOVERNMENTAL FUNDS Governmental funds report capital outlays as expenditures. However, in the Statement of Activities the cost of those assets is allocated over their estimated useful lives and reported as depreciation expense: 52.709 Capital purchases (350,687)Depreciation The issuance of long-term debt (e.g., leases) provides current financial resources to governmental funds, while the repayment of the principal of long-term debt consumes the financial resources of governmental funds. Neither transaction, however, has any effect on net assets: 40,151 Repayments of debt Some expenses reported in the Statement of Activities, such as compensated absences, do not require the use of current financial: resources and, therefore, are not reported as expenditures in the governmental funds. (14,153).

\$ 638,612

See notes to financial statements.

CHANGE IN NET ASSETS OF GOVERNMENTAL ACTIVITIES

ALL BUDGETED FUNDS

STATEMENT OF REVENUES AND OTHER SOURCES, AND EXPENDITURES AND OTHER USES - BUDGET AND ACTUAL

FOR THE YEAR ENDED JUNE 30, 2008

	Budgete	ed Amounts		Variance with
	Original <u>Budget</u>	Final <u>Budget</u>	Actual <u>Amounts</u>	Final Budget Positive (Negative)
Revenues and Other Sources:				
General Fund:				
County taxes	\$ 10,369,380	\$ 10,369,380	\$ 10,369,380	\$ -
Charges for services	263,234	263,234	256,633	(6,601)
Intergovernmental	165,323	165,323	164,398	(925)
Investment income	20,000	20,000	9,710	(10,290)
Miscellaneous	193,283	193,283	208,500	15,217
Other Funds:				
Nursing Home	13,833,091	13,833,091	12,042,246	(1,790,845)
Registry of Deeds	450,000	450,000	455,837	5,837
Grants and other	369,115	369,115	545,671	176,556
Transfers in	1.667,184	1,667,184	1,727,180	59,996_
Total Revenues and Other Sources	27,330,610	27,330,610	25,779,555	(1,551,055)
Expenditures and Other Uses:				•
General Fund:			•	
General government	2,136,407	2,211,758	1,925,154	286,604
County Attorney's office	439,559	438,059	385,710	52,349
Commissioners' office	243,225	248,096	195,511	52,585
Public safety	642,203	626,859	625,020	1,839
Corrections	2,875,086	2,875,086	2,676,700	198,386
Health and welfare	4,705,981	4,705,981	4,645,495	60,486
Cooperative extension	298,480	298,180	286,216	11,964
Capital expenditures	27,613	29,785	27,910	1,875
Debt service	80,000	80,000	127,881	(47,881)
Other Funds:				
Nursing Home	12,862,801	12,797,551	12,357,966	439,585
Registry of Deeds	377,690	377,690	317,772	59,918
Grants and other	369,115	369,115	533,049	(163,934)
Capital expenditures fund	615,500	615,500	250,008	365,492
Transfers out	1,656,950	1,656,950	1,727,180_	(70,230)
Total Expenditures and Other Uses	27,330,610	27,330,610	26,081,572	1,249,038_
Excess (deficiency) of revenues and other	_			
sources over expenditures and other uses	\$	\$	\$ (302,017)	\$ (302,017)

PROPRIETARY FUND

STATEMENT OF NET ASSETS

JUNE 30, 2008

	Business-Type Activities Enterprise Fund
	Nursing Home
<u>ASSETS</u>	
Current: Cash and short-term investments Accounts receivable, net of allowances Inventory	\$ 18,716 2,157,998 35,769
Total current assets	2,212,483
Noncurrent: Restricted cash Capital assets, net of accumulated depreciation	85,740 4,293,099_
Total noncurrent assets	4,378,839
TOTAL ASSETS	6,591,322
LIABILITIES	
Current: Accounts payable Accrued liabilities Other liabilities Due to residents	457,347 517,581 12,839 85,740
Total current liabilities	1,073,507
Noncurrent: Advance from other funds Compensated absences	5,092,139 192,767
Total noncurrent liabilities	5,284,906
TOTAL LIABILITIES	6,358,413
NET ASSETS	
Invested in capital assets, net of related debt Unrestricted	4,293,099 (4,060,190)
TOTAL NET ASSETS	\$ 232,909

PROPRIETARY FUND

STATEMENT OF REVENUES, EXPENSES AND CHANGES IN FUND NET ASSETS

FOR THE YEAR ENDED JUNE 30, 2008

	Business-Type Activities Enterprise Fund
	Nursing <u>Home</u>
Operating Revenues: Charges for services Miscellaneous	\$ 11,232,585 83,988
Total Operating Revenues	11,316,573
Operating Expenses: Personnel services Employee benefits Contractual services Payroll and other taxes Therapy services Food Depreciation Medicine Medical expenses Supplies and office expense Repairs and maintenance Insurance Telephone	5,308,581 2,043,412 1,786,971 382,781 624,088 522,712 436,203 295,340 301,931 153,373 87,536 77,552 18,617
Total Operating Expenses Operating Income (Loss)	
Transfers: Transfers out: To fund 30	(807,354)
Total Transfers	(807,354)
Change in Net Assets	(1,529,878)
Net Assets at Beginning of Year	1,762,787
Net Assets at End of Year	\$ 232,909

SULLIVAN COUNTY, NEW HAMPSHIRE

PROPRIETARY FUND

STATEMENT OF CASH FLOWS

FOR THE YEAR ENDED JUNE 30, 2008

	Business-Type Activities
	Enterprise Funds Nursing
	Home
	<u></u>
Cash Flows From Operating Activities:	Ф. 40 C20 E20
Receipts for services provided	\$ 10,630,539 83,988
Miscellaneous receipts	(7,764,427)
Payments for personnel and related costs Payments for goods and services	(3,605,731)
rayments for goods and services	(0,000,101)
Net Cash (Used For) Operating Activities	(655,631)
Cash Flows From Noncapital Financing Activities:	
Transfers out	(807,354)
Receipts from internal balances	1,704,449
Net Cash Provided by Noncapital Financing Activities	897,095
, or odo, , , o, , o, , o, , o, , o, , o	ŕ
Cash Flows From Capital and Related Financing Activities:	
Acquisition and construction of capital assets	(240,310)
Net Cash (Used For) Capital and Related Financing Activities	(240,310)
Net Change in Cash and Short-Term Investments	1,154
Cash and Short Term Investments, Beginning of Year	17,562
	AD 740
Cash and Short Term investments, End of Year	\$ 18,716
Reconciliation of Operating Income to Net Cash	
Provided by (Used For) Operating Activities:	
Operating income (loss)	\$ (722,524)
Adjustments to reconcile operating income (loss) to net	
cash provided by (used for) operating activities:	436,203
Depreciation	430,203
Changes in assets and liabilities: Accounts receivable	(602,046)
Inventory	3,764
Account payable	204,726
Accrued liabilities	24,686
Other liabilities	(440)
Net Cash (Used For) Operating Activities	\$ (655,631)

See notes to financial statements.

SULLIVAN COUNTY, NEW HAMPSHIRE

Notes to Financial Statements

1. Summary of Significant Accounting Policies

The accounting policies of Sullivan County, New Hampshire (the County) conform to generally accepted accounting principles (GAAP) as applicable to governmental units. The following is a summary of the more significant policies:

A. Reporting Entity

The government is a municipal corporation governed by an elected Board of Commissioners. As required by generally accepted accounting principles, these financial statements present the government and applicable component units for which the government is considered to be financially accountable.

B. Government-Wide and Fund Financial Statements

Government-Wide Financial Statements

The government-wide financial statements (i.e., the statement of net assets and the statement of changes in net assets) report information on all of the nonfiduciary activities of the primary government. For the most part, the effect of interfund activity has been removed from these statements. Governmental activities, which normally are supported by taxes and intergovernmental revenues, are reported separately from business-type activities, which rely to a significant extent on fees and charges for support.

The statement of activities demonstrates the degree to which the direct expenses of a given function or segment are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific function or segment. Program revenues include (1) charges to customers or applicants who purchase, use, or directly benefit from goods, services, or privileges provided by a given function or segment and (2) grants and contributions that are restricted to meeting the operational or capital requirements of a particular function or segment. Taxes and other items not properly included among program revenues are reported instead as general revenues.

Fund Financial Statements

Separate financial statements are provided for governmental funds, proprietary funds and fiduciary funds, even though the latter are excluded from the government-wide financial statements. Major individual governmental funds and major individual enterprise funds are reported as separate columns in the fund financial statements.

C. <u>Measurement Focus</u>, <u>Basis of Accounting</u>, <u>and Financial Statement</u> Presentation

Government-Wide Financial Statements

The government-wide financial statements are reported using the *economic resources measurement focus* and the *accrual basis of accounting*, as are the proprietary fund and fiduciary fund financial statements. Revenues are recorded when earned and expenses are recorded when a liability is incurred, regardless of the timing of related cash flows. Grants and similar items are recognized as revenue as soon as all eligibility requirements imposed by the provider have been met. As a general rule, the effect of interfund activity has been eliminated from the government-wide financial statements.

Amounts reported as *program revenues* include (1) charges to customers or applicants for goods, services, or privileges provided, (2) operating grants and contributions, and (3) capital grants and contributions, including special assessments. Internally dedicated resources are reported as *general revenues* rather than as program revenues. Likewise, general revenues include all taxes.

Fund Financial Statements

Governmental fund financial statements are reported using the *current financial resources measurement focus* and the *modified accrual basis of accounting*. Revenues are recognized as soon as they are both measurable and available. Revenues are considered to be available when they are collectible within the current period or soon enough thereafter to pay liabilities of the current period. Generally, all other revenue items are considered to be measurable and available only when cash is received by the government. Expenditures generally are recorded when a liability is incurred, as under accrual accounting. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

The government reports the following major governmental funds:

- The *general fund* is the government's primary operating fund. It accounts for all financial resources of the general government, except those required to be accounted for in another fund.
- The Register of Deeds Special Revenue Fund is used to account for the proceeds of specific revenue sources and related expenditures that are associated with registry activities.

Proprietary funds distinguish operating revenues and expenses from nonoperating items. Operating revenues and expenses generally result from providing services and producing and delivering goods in connection with a proprietary fund's principal ongoing operations. The principal operating revenues of the enterprise fund are charges to customers for sales and services. Operating expenses for enterprise funds include the cost of sales and services, administrative expenses and depreciation on capital assets. All revenues and expenses not meeting this definition are reported as non-operating revenues and expenses.

Private-sector standards of accounting and financial reporting issued prior to December 1, 1989 generally are followed in both the government-wide and proprietary fund financial statements to the extent that those standards do not conflict with or contradict guidance of the Governmental Accounting Standards Board. Governments also have the option of following subsequent private-sector guidance for their business-type activities and enterprise funds, subject to this same limitation. The government has elected not to follow subsequent private-sector guidance.

The government reports the County Nursing Home as a major proprietary fund.

D. Cash and Short-Term Investments

Cash balances from all funds, except those required to be segregated by law, are combined to form a consolidation of cash. Cash balances are invested to the extent available, and interest earnings are recognized in the General Fund. Certain special revenue, proprietary, and fiduciary funds segregate cash, and investment earnings become a part of those funds.

Deposits with financial institutions consist primarily of demand deposits, certificates of deposits, and savings accounts. A cash and investment pool is maintained that is available for use by all funds. Each fund's portion of this pool is reflected on the combined financial statements under the caption "cash and short-term investments". The interest earnings attributable to each fund type is included under investment income.

For purpose of the statement of cash flows, the proprietary funds consider investments with original maturities of three months or less to be short-term investments.

E. Investments

State and local statutes place certain limitations on the nature of deposits and investments available. Deposits in any financial institution may not exceed certain levels within the financial institution. Non-fiduciary fund investments can be made in securities issued by or unconditionally guaranteed by the U.S. Government or agencies that have a maturity of one year or less from the date of purchase and repurchase agreements guaranteed by such securities with maturity dates of no more than 90 days from the date of purchase.

F. Interfund Receivables and Payables

Transactions between funds that are representative of lending/borrowing arrangements outstanding at the end of the fiscal year are referred to as either "due from/to other funds" (i.e., the current portion of interfund loans) or "advances to/from other funds" (i.e., the non-current portion of interfund loans.

Advances between funds are offset by a fund balance reserve account in applicable governmental funds to indicate the portion not available for appropriation and not available as expendable financial resources.

G. Inventories

Inventories are valued at cost using the first-in/first-out (FIFO) method. The costs of governmental fund-type inventories are recorded as expenditures when purchased rather than when consumed. No significant inventory balances were on hand in governmental funds.

H. Capital Assets

Capital assets, which include property, plant, equipment, and infrastructure assets (for enterprise funds only) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial individual cost of more than \$5,000 and an estimated useful life in excess of two years. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets are recorded at estimated fair market value at the date of donation.

The costs of normal maintenance and repairs that do not add to the value of the asset or materially extend assets lives are not capitalized.

Major outlays for capital assets and improvements are capitalized as projects are constructed. Interest incurred during the construction phase of capital assets of business-type activities is included as part of the capitalized value of the assets constructed.

Property, plant and equipment of the primary government is depreciated using the straight-line method over the following estimated useful lives:

<u>Assets</u>	<u>Years</u>
Buildings	40
Building improvements	20
Vehicles	:5
Office and computer equipment	5

I. Compensated Absences

It is the government's policy to permit employees to accumulate earned but unused vacation pay benefits. All vested vacation pay is accrued when incurred in the government-wide and proprietary fund financial statements. A liability for these amounts is reported in governmental funds only if they have matured, for example, as a result of employee resignations and retirements.

J. Long-Term Obligations

In the government-wide financial statements, and proprietary fund types in the fund financial statements, long-term debt and other long-term obligations are reported as liabilities in the applicable governmental activities, business-type activities, or proprietary fund type statement of net assets.

K. Fund Equity

In the fund financial statements, governmental funds report reservations of fund balance for amounts that are not available for appropriation or are legally restricted by outside parties for use for a specific purpose. Designations of fund balance represent tentative management plans that are subject to change.

L. Use of Estimates

The preparation of basic financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures for contingent assets and liabilities at the date of the basic financial statements, and the reported amounts of the revenues and expenditures/expenses during the fiscal year. Actual results could vary from estimates that were used.

2. Stewardship, Compliance and Accountability

A. Budgetary Information

The County follows the following procedures establishing the budgetary data reflected in the basic financial statements:

- Prior to May 1st, the County departments submit to the County Commissioners a proposed budget for the fiscal year commencing the following July 1. The budget includes proposed expenditures and the means of financing them.
- Hearings are conducted by the County Commissioners prior to the County's budget meeting to discuss the proposed budget.

- The budget is legally enacted by the County Delegation prior to September 1st.
- Appropriations for certain projects and specific items not fully expended at the fiscal year-end are carried forward as continued appropriations to the new fiscal year in which they supplement the appropriations of that year.
- The budgets for all departments and operations of the County are prepared under the direction of the County Commissioners.
 Original appropriations are acted upon by the County Delegation vote.
- A copy of the budget is published in the Annual Report of Sullivan County, New Hampshire.

B. Budgetary Basis

The General Fund final appropriation appearing on the "Budget and Actual" page of the fund financial statements represents the final amended budget after all reserve fund transfers and supplemental appropriations.

C. Budget/GAAP Reconciliation

The budgetary data for all funds is based upon accounting principles that differ from generally accepted accounting principles (GAAP). Therefore, in addition to the GAAP basis financial statements, the results of operations are presented in accordance with budgetary accounting principles to provide a meaningful comparison with budgetary data.

The following is a summary of adjustments made to the actual revenues and other sources, and expenditures and other uses, to conform to the budgetary basis of accounting.

All Funds	Revenues and Other <u>Financing Sources</u>	Expenditures and Other Financing Uses
Revenues/Expenditures (GAAP basis)	\$ 23,326,702	\$ 23,945,988
Other financing sources/uses (GAAP basis)	1,727,180	1,727,180
Subtotal (GAAP Basis)	25,053,882	25,673,168
Nursing Home reclassifications	725,673	725,673
		(continued)

(continued)	Revenues and Other	Expenditures and Other
All Funds	Financing Sources	Financing Uses
Reverse prior year appropria- tion carryforwards	-	(151,026)
Convert accrual basis Nursing Home to budget basis		(166,243)
Budgetary basis	\$ <u>25,779,555</u>	\$ <u>26.081.572</u>

D. Deficit Fund Equity

The following funds had deficits as of June 30, 2008:

Domestic Violence Grant - Fund 445	\$ (90)
Cooperative Extension Service - Fund 475	(3,9	02)
JAG - Fund 527	(8	22)
Highway Safety - Fund 646	(4	85)
Facilities - Fund 700	(9,5	60)
Drug Task Force - Fund 745	(1,7	92)
Emergency Planning - Fund 725	(1,0	00)
GSCAHHR Phase III Part 2 - Fund 938	(3,3	18)
Intervention Program - Fund 945	(3,7	75)
Claremont Teen Resource Center - Fund 947	(121,7	79)
Parents as Teachers - Fund 948	(3,2	(84)
CAC of Grafton/Sullivan County - Fund 949	(6	39)
Public Health Network Coordinator - Fund 955	(<u>9</u>	93)
Total	\$ (<u>151,4</u>	<u>.39</u>)

The deficits in these funds will be eliminated through future departmental revenues, and transfers from other funds.

3. Cash and Short-Term Investments

Custodial Credit Risk - Deposits. Custodial credit risk is the risk that in the event of a bank failure, the County's deposits may not be returned to it. RSA 48:16 limits "deposit in any one bank shall not at any time exceed the sum of its paid-up capital and surplus. The County does not have a deposit policy for custodial credit risk.

As of June 30, 2008, \$ 504,425 of the County's bank balance of \$ 1,223,959 was exposed to custodial credit risk as uninsured and uncollateralized.

4. Allowance for Doubtful Accounts and Contractual Allowances

The allowance for doubtful accounts for Nursing Home receivables has been estimated at \$ 350,759 at June 30, 2008. Nursing Home receivables are also reported net of contractual allowances.

5. Interfund Fund Receivables/Payables

Although self-balancing funds are maintained, most transactions flow through the general fund. In order to obtain accountability for each fund, interfund receivable and payable accounts must be utilized. The following is an analysis of the June 30, 2008 balances in interfund receivable and payable accounts:

<u>Fund</u>	Due From Other Funds	Due To Other Funds	Advance to Other Funds	Advance from Other Funds
General Fund	\$ 17,775	\$ -	\$ 5,092,139	\$ -
Special Revenue Funds: Register of Deeds Grants and Fund 42	6,491 -	- 24,266	<u>-</u>	- '
Enterprise Funds: Nursing Home			-	<u>5,092,139</u>
Total	\$ <u>24,266</u>	\$ <u>24,266</u>	\$ <u>5,092.139</u>	\$ <u>5,092,139</u>

6. Capital Assets

Capital asset activity for the year ended June 30, 2008 was as follows (in thousands):

	Beginning <u>Balance</u>	Increases	<u>Decreases</u>	Ending <u>Balance</u>
Governmental Activities: Capital assets, being depreciated: Buildings and improvements Equipment and vehicles Land improvements	\$ 4,943 1,207 313	\$ 308 4 —	\$ - - -	\$ 5,251 1,211 313
Total capital assets, being depreciated	6,463	312	-	6,775
Less accumulated depreciation for: Buildings and improvements Equipment and vehicles Land improvements	(2,341) (869) (271)	(237) (76) (38)		(2,578) (945) (309)
Total accumulated depreciation	(3,481)	(351)	-	(3,832)
Construction in progress	259		(<u>259</u>)	
Governmental activities capital assets, net	\$ <u>3.241</u>	\$ (<u>39</u>)	\$ (<u>259</u>)	\$ <u>2,943</u>

	Beginning <u>Balance</u>	Increases	<u>Decreases</u>	Ending Balance
Business-Type Activities: Capital assets, being depreciated: Buildings and improvements Equipment Vehicles	\$ 8,481 2,186 	\$ 234 12 	\$ -	\$ 8,715 2,198
Total capital assets, being depreciated	10,857	246	~	11,103
Less accumulated depreciation for. Buildings and improvements Equipment Vehicles	(4,425) (1,810) (<u>139</u>)	(336) (87) (<u>13</u>)	-	(4,761) (1,897) (<u>152</u>)
Total accumulated depreciation	(6,374)	(436)	~	(6,810)
Construction in progress	6		(<u>6</u>)	
Business-type activities capital assets, net	\$ <u>4,489</u>	\$ (<u>190</u>)	\$ (6)	\$ <u>4,293</u>

Depreciation expense was charged to functions of the County as follows (in thousands):

Governmental Activities: General government Public safety Public welfare Department of Corrections Cooperative extension	\$ 163 53 1 131 3
Total depreciation expense - governmental activities	\$ <u>351</u>
Business-Type Activities: Nursing Home	\$ <u>436</u>
Total depreciation expense - business-type activities	\$ <u>436</u>

7. Accounts Payable

Accounts payable represents 2008 expenditures paid after June 30, 2008.

8. Anticipation Notes Payable

At June 30, 2008, the County had a \$4,000,000 revenue anticipation line of credit dated February 12, 2007 that expires December 31, 2008, with interest at a fixed annual rate of 3.625%.

The following summarizes activity in notes payable during fiscal year 2008:

	Balance			Balance
	Beginning	New		End of
,	<u>of Year</u>	<u>lssues</u>	<u>Maturities</u>	<u>Year</u>
Revenue anticipation	\$ 2,462,038	\$ <u>8,437,962</u>	\$ <u>7,775,000</u>	\$ <u>3,125,000</u>

Subsequent to year end, the above line of credit was repaid with a new line of credit of \$ 3,125,000 at 2.380%. An additional line of credit was also issued subsequent to year end for \$ 3,000,000 at 2.170%, to be used as needed.

9. Long-Term Debt

General Obligation Bonds

During the year ended June 30, 2008, the following changes occurred in long-term liabilities (in thousands):

	Total Balance 7/1/07	Additions	Reductions	Total Balance 6/30/08	Less Current Portion	Equals Long-Term Portion 6/30/08
Governmental Activities Capital leases Accrued vacation	\$ 40 <u>131</u>	\$ - <u>14</u>	\$ (40) 	\$ - <u>145</u>	\$ - 	\$ - <u>145</u>
Totals	\$ <u>171</u>	\$ <u>14</u>	\$ (<u>40</u>)	\$ <u>145</u>	\$	\$ <u>145</u>
Business-Type Activities Accrued vacation	\$ <u>222</u>	\$ <u>-</u> _	\$ (<u>29</u>)	\$ <u>193</u>	\$	\$ <u>193</u>
Totals	\$ <u>222</u>	\$ <u>-</u>	\$ (<u>29</u>)	\$ <u>193</u>	\$	\$ <u>193</u>

10. Capital Lease Obligations

The County was the lessee of certain equipment under capital leases which expired in 2008.

11. Restricted Net Assets

The accompanying entity-wide financial statements report restricted net assets when external constraints from grantors or contributors are placed on net assets.

12. Reserves of Fund Equity

"Reserves" of fund equity are established to segregate fund balances which are either not available for expenditure in the future or are legally set aside for a specific future use.

Reserved for Advances - An account used to segregate a portion of fund balance to indicate that advances to other funds, although a component of assets, do not represent available spendable resources.

13. Commitments and Contingencies

Outstanding Lawsuits - There are several pending lawsuits in which the County is involved. The County's management is of the opinion that the potential future settlement of such claims would not materially affect its financial statements taken as a whole.

<u>Grants</u> - Amounts received or receivable from grantor agencies are subject to audit and adjustment by grantor agencies, principally the federal government. Any disallowed claims, including amounts already collected, may constitute a liability of the applicable funds. The amount of expenditures which may be disallowed by the grantor cannot be determined at this time, although the County expects such amounts, if any, to be immaterial.

14. Pension Plan

The County follows the provisions of GASB Statement No. 27, Accounting for Pensions for State and Local Government Employees, with respect to the employees' retirement funds.

A. Plan Description

The County contributes to the New Hampshire Retirement System (NHRS), a cost-sharing multiple-employer contributory defined benefit pension plan. NHRS provides service, disability and death, and vested retirement benefits to plan members and beneficiaries. NHRS is administered by a 13-member Board of Trustees. The Board of Trustees formulates administrative policies and procedures and authorizes benefit payments to members and their beneficiaries. The NHRS issues a publicly available financial report that includes financial statements and required supplementary information. That report may be obtained by writing to the New Hampshire Retirement System, 4 Chenell Drive, Concord, NH 03301-8509 or by calling (603) 271-3351.

B. Funding Policy

Sheriff's deputies and correctional office plan members and all other employee plan members are required to contribute 9.3% and 5%, respectively, of their annual covered salary and the County is required to contribute at an actuarially determined rate. The current rate for sheriff's deputies and correctional officers is 11.84% of annual covered payroll. The current rate for all other employees is 8.74% of annual covered payroll. The contribution requirements of plan members are fixed by statute. The County's contributions to NHRS for the years ended June 30, 2008, 2007, and 2006 were \$625,170, \$523,220, and \$499,688, respectively, equal to the required contributions for each year.

15. Self Insurance

The County participated in the New Hampshire Municipal Association Health Insurance Trust Self-Funding Plus Program (Program) through June 30, 2008. This program provided medical health benefits to eligible employees and their eligible dependents. Effective July 1, 2008, the County changed to a premium-based health insurance plan with Primex³. Claims incurred but unpaid at year end under the discontinued self-funded program were actuarially determined to be \$ 444,113 and are reflected as a liability at June 30, 2008. These claims will be repaid to Primex³ over the next two years.

Workers Compensation

The County contracts with an insurance consultant for claims processing of the County's workers compensation policy, which has no excess liability coverage for any employees. The Workers Compensation claims liability represents an estimate of future costs based on a historical analysis of similar claims for all employees excluding public safety. The County is unable to make any reasonable estimate of its liability for public safety employees.

16. Risk Management

The County is exposed to various risks of loss related to theft of, damage to, and destruction of assets; errors and omissions; injuries to employees; and natural disasters. The County and other municipalities and other qualified political subdivisions of New Hampshire are members of the Public Risk Management Exchange (Primex³), a Trust organized to provide property and liability insurance coverage to its members. The County pays an annual premium to Primex³ for its property and liability insurance coverage. The premium paid in 2008 was \$ 100,577.

The coverage includes a retrospective contribution endorsement under which the County may receive a portion of its premiums back based on a loss ratio as defined in the agreement.

17. Subsequent Events - Fiscal Stabilization Plan

Although Sullivan County continues to operate with a significant deficit, the County Commissioners believe the fiscal year 2009 budget will begin to address this situation in two areas. First, the fiscal year 2009 budget more realistically estimates revenue from operations at the Nursing Home. It has proven difficult to meet the revenue expectations adopted in past budgets and this shortfall in revenue is clearly the single biggest factor contributing to the deficit. Second, the fiscal year 2009 budget includes \$ 1 million in planned deficit reduction. We believe these more realistic revenue projections, along with planned deficit reduction, will begin to move Sullivan County towards a more sound fiscal condition.

SULLIVAN COUNTY NH CONVENTION - 2007 / 2008 Directory

District No. 1 (2) — Cornish, Grantham and Plainfield; **District No. 2** (3) — Croydon, Goshen, Newport, Springfield and Washington; **District No. 3** (1) — Sunapee; **District No. 4** (5) — Claremont Wards 1-3, Lempster and Unity; and **District No. 5** (2) — Acworth, Charlestown, and Langdon.

Representative Name	<u>District</u>	Ways to contact your delegate
Franklin, Peter Delegation (Chair) Executive Finance Committee (Exofficio)	2	PO Box 411, Newport NH 03773 E-mail: peter.franklin@leg.state.nh.us Tel: (H) 863-1923
Gagnon, Raymond Executive Finance Committee (Exofficio) Delegation (Vice Chair)	4	122 Elm Street, Claremont NH 03743 E-mail: <u>raymond.gagnon@leg.state.nh.us</u> Tel. (H) 542-7286
Nielsen, Ellen Delegation (Clerk)	4	50 Lane Ridge Road, Claremont NH 03743 E-mail: <u>nielsens@sover.net</u> Tel. (H) 542-1590
Ferland, Brenda Executive Finance Committee (Chair)	5	267 River Road, Charlestown NH 03603 E-mail: <u>brendalee1949@earthlink.net</u> Tel: (H) 826-5034
Cloutier, John Executive Finance Committee (Vice Chair)	4	10 Spruce Ave., Apt. 1, Claremont NH 03743-5306 E-mail: jocloutier@comcast.net Tel: (H) 542-6190
Converse, Larry Executive Finance Committee	4	7 Clover Street, Claremont NH 03743-3027 E-mail: lcalicone@aol.com Tel: (H) 542-2180
Donovan, Tom Executive Finance Committee	. 4	165 Mulberry St., Claremont NH 03743 E-mail: mrtedd2001@yahoo.com Tel: (W) 542-0463 Tel. (H) 542-0435
Gottling, Suzanne Executive Finance Committee	3	173 Lake Avenue, Sunapee NH 03782 E-mail: sgottling@comcast.net Tel. (H) 763-5904
Jillette, Arthur G. Jr.	2	80 Brickyard Road, Goshen NH 03752 E-mail: agj@theworld.com Tel. (H) 863-2788 Fax. 863-8178
Phinizy, James	5	Box 175, Black North Road, Acworth NH 03601 E-mail: jgphinizy@yahoo.com Tel: (H) 835-6074
Houde, Matthew	1	PO Box 66, Meriden NH 03770 E-mail: <u>matthewhoude@yahoo.com</u> Tel. (H) 504-2744
Rodeschin, Beverly	2	336 Sunapee St, Newport NH 03773 E-mail: (Bcc) Tel: (H) 863-1941
Skinder, Carla M.	1	465 East Road, Comish NH 03745 E-mail: cskinder@vrh.org Tel. (W) 543-6895

Committee Appointments:

Nursing Home Resident Trust Fund Committee – Meetings: 1-3 times a year. Early Aug. meeting a must. – **Rep. Tom Donovan** UNH Cooperative Extension Committee – Meetings: 2nd Mon. of each month, 7-9 p.m. 24 Main Street – **Rep. Carla Skinder** Solid Waste District Committee – **Rep. Beverly Rodeschin**

Incentive Funds Committee (Sherrie Curtis Coordinates) - Rep. Peter Franklin

Sullivan County Criminal Justice Coordinating Committee - Meets as needed - Rep. Raymond Gagnon

Sullivan County Land Management Use Committee – Meets as needed – Rep. Ellen Nielsen

Sullivan County Facilities (buildings) Committee - Meets as needed - Rep. Larry Converse

Sullivan County NH STATE - COUNTY DELEGATION MEETING MINUTES

The following pages reflect the minutes of all meetings held by the full Delegation during Fiscal Year 08. The meeting dates shown are:

July 02, 2007	E.F.C. 1:00 PM Location: Newport (No minutes for)
July 03, 2007	E.F.C. 10:00 AM Location: Newport (No minutes for)
July 05, 2007	E.F.C. 10:00 AM Location: Newport (No minutes for)
July 06, 2007	E.F.C. 9:00 AM Location: Newport (No minutes for)
July 09, 2007	E.F.C. 9:00 AM Location: Newport (No minutes for)
July 11, 2007	E.F.C. 10:30 AM Location: Newport (No minutes for)
July 13, 2007	E.F.C. 8:30 AM Location: Newport (No minutes for)
July 13, 2007	Full Delegation 10:00 AM Location: Newport, Resume the Convention of the FY '08 County Budget/Other business
July 16, 2007	"Establish Memorandum of Understanding" Committee 10:30 AM Location: Newport (no minutes)
Aug 23, 2007	Full Delegation 9:00 AM Location: Newport (Cancelled)
Aug 31, 2007	Full Delegation 9:00 AM Location: Unity- Ahern building, Discuss County Finances, MS-42, Audit, Grants, Fund Transfers, / Other business
Oct 02, 2007	E.F.C. 10:00 AM Location: Newport Discuss draft audit report, FY '08 budget review / Other business
Oct 29, 2007	Full Delegation 9:00 AM Location: Newport, Review county finances / Audit results / Other business
Nov 20, 2007	E.F.C. 10:00 AM Location: Newport (Cancelled)

Nov 30, 2007	E.F.C. 10:00 AM Location: Newport (no minutes)
Dec 10, 2007	Full Delegation 10:00 AM Location: Newport, Discuss county budget, Departure of county manager / Other business
Jan 25, 2008	E.F.C. 10:00 AM Location: Newport, Review county finances / other business
Feb 15, 2008	E.F.C. 10:00 AM Location: Newport, Review county finances / other business
April 18, 2008	E.F.C. 10:00 AM Location: Newport, (no minutes)
April 28, 2008	Full Delegation 9:00 AM Location: Newport, Department of Corrections Presentation / other business
May 05, 2008	E.F.C. 10:00 AM Location: Newport (No minutes for)
May 09, 2008	E.F.C. 10:00 AM Location: Newport (No minutes for)
May 12, 2008	E.F.C. 10:00 AM Location: Newport (No minutes for)
May 13, 2008	E.F.C. 10:00 AM Location: Newport (Cancelled)
May 19, 2008	Full Delegation 8:30 AM Location Newport, Discuss County budget / other business
May 19, 2008	E.F.C. 10:00 AM Location: Newport, Begin work on the FY '09 County budget
May 20, 2008	E.F.C. 10:00 AM Location: Newport, (Cancelled)
May 23, 2008	E.F.C. 10:00 AM Location: Newport, Work on the FY '09 County budget / other business
May 27, 2008	E.F.C. 10:00 AM Location: Newport, (Cancelled)
May 28, 2008	Full Delegation 9:00 AM Location: Newport, Discuss FY '09 budget, Update of proposed Correction Project / other business
May 30, 2008	E.F.C. 10:00 AM Location: Newport (no minutes)
June 02, 2008	E.F.C. 11:30 AM Location: Newport, Work on the FY '09 County budget / other business
June 03, 2008	E.F.C. 10:00 AM Location: Newport, Work on the FY '09 County budget / other business

June 06, 2008	E.F.C. 10:00 AM Location: Newport (Cancelled)
June 09, 2008	E.F.C. 10:00 AM Location: Newport (no minutes)
June 16, 2008	E.F.C. 10:00 AM Location: Newport, Review County's financials / other business
June 17, 2008	E.F.C. and Sullivan County Treasurer 5:30 PM Location: Newport, Authorize County Treasurer to borrow Revenue Anticipation Notes / other business
June 17, 2008	Full Delegation 7:00 PM Location: Newport, Public Hearing
June 20, 2008	E.F.C. 10:00 AM Location: Newport, Review county financials
June 23, 2008	E.F.C. 9:00 AM Location: Newport
June 25, 2008	E.F.C. 9:00 AM Location: Newport
June 30, 2008	Full Delegation 9:00 AM Location: Claremont, Annual Convention FY '09 Proposed County Budget / other business

Minutes of the Sullivan County Delegation and the Delegation Executive Finance Committee can be viewed on line at the County website: www.sullivancountynh.gov or at the Sullivan County Commissioners' Office Monday through Friday during regular office hours 8 a.m. – 4 p.m.

Sullivan County NH.

Type of Meeting: Date / Time: Place: Sullivan County Full Delegation July 13, 2007 / 10:00 am Sullivan County Probate Court

Participants

Representatives: Peter Franklin (Chair), Ray Gagnon (Vice-Chair), Ellen Nielsen (Clerk), John Cloutier, Larry Converse, Tom Donovan, Brenda Ferland, Sue Gottling, Matthew Houde, Arthur Jillette, Jay Phinizy, Beverly Rodeschin and Carla Skinder

Commissioners: Ethel Jarvis and Ben Nelson

Other elected Officials and County Employees: Ed Gil de Rubio, Marc Hathaway, Sharon Johnson-Callum, John Milliken, Michael Prozzo, Cynthia Vezina and Seth Wilner Two public observers

Media: Aaron Aldridge, Eagle-Times; David Corriveau, Valley News; Peter Martin, Community TV

The meeting was called to order by Rep. Franklin at 10:03 am. This meeting was a continuation of the recessed County Convention of June 29, 2007.

Agenda Review:

The main item on the agenda was to be a report and recommendation regarding the county budget for fiscal 2008 from the Executive Finance Committee of the delegation.

Minutes of the June 29, 2007 County Convention:

Rep. Converse moved that the minutes for June 29 be accepted and Rep. Gagnon seconded the motion. Rep. Skinder noted that she had suggested that county employees should be informed, by the Human Resources Department, that their health insurance and retirement benefits are part of their compensation package and also should be informed how much the county pays for these benefits, and that her suggestion had not been recorded in the minutes of the county convention. Rep. Rodeschin suggested that the clerk record this comment in the minutes of this meeting, rather than changing the minutes of 6/29, and Rep. Skinder accepted this suggestion. After a correction of a typographical error noticed by Rep. Houde, the minutes were accepted by a voice vote.

Report of the Executive Finance Committee:

Rep. Ferland reported on the deliberations of the EFC since June 29. The committee heid many meetings and was able to recommend a number of budget cuts. Rep Ferland summarized the budget cuts, which included holding all pay increases for county employees at 3%, reducing the amount appropriated for county grants by about \$100,000, elimination of an appropriation for autopsies (which will now be picked up by the state), elimination of a proposed new position in the administrative office of the county home, reduction of the appropriation for recreational therapy at the county home, and eliminating items in the capital budget, including holds on funds for continued planning for a new correctional center and an assisted living facility. Rep. Ferland provided members of the delegation with a five-page chart showing changes made to the proposed 2008 budget between 4/4/07 and 7/12/07 in chronological order. On page 3, the chart shows that on 5/30/07, the commissioners approved a budget for \$27,629,657.00, with \$10, 594, 871.00 to be raised in taxes (the budget which was presented in a public hearing on 6/12/07.) On page 5, the chart shows the final budget proposed by the EFC, which is for \$27,330, 610.00, with \$10,369,380.00 to be raised in taxes.

The presentation by Rep. Ferland was followed by extensive discussion among the representatives and between representatives and the County Manager: Rep. Donovan asked Mr. Gil de Rubio if there was any plan to pay back the \$2,500,000.00 which the county had borrowed in fiscal 2007. Mr. Gil de Rubio responded "We will do our best." Rep. Donovan asked a follow-up question about newspaper reports that the county home is losing \$4000.00 per day. This resulted in a discussion about a drop in the nursing home census to 130 patients. Mr. Gil de Rubio said that hospitals are not referring Medicare patients to the county home and attributed this drop in referrals to uncertainty about the quality of care available during the transitional period after Genesis leaves. Rep. Franklin noted that part of the drop in the census was due to deaths of patients.

Rep Rodeschin asked what would happen if the union contract which is currently in negotiation resulted in a pay increase of more than 3%--how could we honor the contract? Rep. Ferland responded that the contract could be honored only by not filling positions. Rep. Gottling stated that the EFC had not changed the commissioners' assumptions about the contract negotiations. Rep. Rodeschin asked if it would be fair if union employees were to receive a larger pay increase than non-union employees. Rep. Gottling responded that union members pay a larger percentage of the cost of their health insurance than non-union employees (18% as opposed to 10%).

There was extensive discussion of the cut in the line item for recreational therapy. Mr. Gil de Rubio expressed concern that if recreational activities were not available on holidays and at night the nursing home would be in violation of state regulations. At the request of Rep Phinizy Rep. Donovan pointed out that the appropriation represented the actual salaries and benefits plus 15% to cover shift differential and holiday pay. Rep. Phinizy asked the commissioners what they thought. The commissioners were split—Comm. Nelson said the department heads request should have been honored but Comm. Jarvis said that the amount recommended by the EFC which left the amount of the salaries plus 15% would be enough. Rep. Ferland said that she did not support the EFC budget because she felt it was a mistake to cut any salaries. Rep. Donovan said that we owe it to the public to take note of discrepancies and correct them.

Rep. Houde asked if there had been any areas of consensus among the members of the EFC. Rep Ferland said there had not been any consensus and that there is no fluff in the budget. "We never can return any money to the taxpayers—all we can do is hold the line." Rep. Skinder agreed with Rep. Ferland that the delegation budget should not cut personnel or cut their salaries—we should retain the personnel that we have and pay them competitively. Rep. Franklin pointed out that although Genesis had promised to eliminate spending for agency nursing but that between December of 2006 and June of 2007 the nursing home had spent \$213,000.00 on agency nursing, an amount that was not appropriated in the budget. Rep. Gottling said she thought that the EFC had reached consensus on many items as they worked with the budget.

Rep. Cloutier moved that the delegation accept the EFC recommendation and vote for a budget for fiscal 2008 of \$27,330,610.00 with \$10,369,380.00 to be raised in taxes. Rep. Gagnon seconded the motion.

Discussion of the motion followed: Rep. Cloutier spoke to his motion, saying that although the budget was not perfect the EFC had worked hard to find cuts. With regard to holding pay increases at 3%, the delegation should remember that teachers in Claremont will receive no pay increases because the Claremont school budget was voted down. "We need to get a budget in place." Rep. Gagnon also spoke to the motion, saying that we must pass a budget and begin working together. Rep. Phinizy asked a question about one area where the EFC had increased a line item—the

Claremont Soup Kitchen had requested a county grant of \$15,000.00 and had received \$20,000.00. Rep. Cloutier said that the \$5000 increase was a one-time-only event and was added because the soup kitchen serves the entire county and may need to re-locate soon.

Rep. Rodeschin asked if the public participants could be allowed to add their comments to the discussion. Rep. Franklin said that this meeting was not a public hearing and that members of the public could not make comments unless asked a specific question by members of the delegation.

Rep. Rodeschin said that if members of the public were not allowed to speak then she would make a motion to move the question (on Rep. Cloutier's motion to pass the EFC budget). Rep. Skinder seconded this motion. Rep. Franklin said that he would not accept Rep. Rodeschin's motion to move the question because there were people who wished to speak. Rep. Rodeschin moved to challenge the chair. Rep Skinder seconded this motion.

Rep. Phinizy made a parliamentary inquiry—If he wanted to amend Rep. Cloutier's motion would he vote against the challenge to the chair? Rep. Franklin answered that he would. Rep. Ferland offered a further parliamentary inquiry—asking the chair to explain why county employees in the audience should not be allowed to participate in the discussion of the budget. Rep. Franklin repeated his statement that this meeting was not a public hearing and that county employees would not be allowed to speak unless asked a question by a member of the delegation. Rep Nielsen said that she wanted to ask a question of the person who had had his hand raised for some time, and was cut off because a motion to challenge the chair, a non-debatable motion, was on the floor.

Rep. Franklin asked for a show of hands vote on the motion to challenge the chair. The motion failed by a vote of 3 to 10.

Rep. Phinizy observed that if the delegation had been allowed to vote on Rep. Rodeschin's original motion to move the question that motion would have failed.

Rep Donovan said that before voting on Rep. Cloutier's motion to pass the EFC budget he wanted to ask the commissioners if they would be able to address the concerns of the delegation more fully than they had during the previous year by providing the delegation with financial information in a timely manner. Comm. Jarvis said that she could only speak for herself but that she would provide requested financial information to any member of the delegation.

Rep. Franklin then spoke against the motion to pass the EFC budget: He said that in its urgency to present a budget at this meeting the EFC had created an arbitrary deadline and that the budget did not need to be presented until the end of August. There still are problems with the budget which must be fixed. The commissioners' budget and the EFC budget differ by only \$300,000.00. Both budgets ignore the problem of the \$2,500.000.00, which was borrowed in fiscal 2007 and must be paid back. The county has no money and must immediately begin borrowing again. The county has spent more than was appropriated during fiscal 2007 and this is contrary to statute.

Rep. Donovan said that we have to pass the budget today and move on and work as a team. The delegation needs a commitment [to candor] from the commissioners and the delegation needs to be more patient and become more familiar with county government.

Rep. Ferland stated that she had asked the EFC to consider how to repay the debt by adding money for loan repayment to the budget, and said that the EFC would be meeting early in August.

Rep. Phinizy offered a motion to amend the motion to pass the EFC budget by reducing the county grant to the Claremont Soup Kitchen by \$5000. The motion was seconded by Rep. Gottling.

Discussion followed. Rep. Skinder said we should not make cuts that will impact on the well-being of our community. Rep. Ferland said that it sets a bad precedent to give any agency a larger grant than they have requested. Rep. Converse pointed out that the Federal funding for the soup kitchen had been cut after the grant request had been made. Rep. Donovan said that he would abstain from voting on this amendment because he is on the board of the soup kitchen.

Rep. Franklin called for a vote on the amendment to cut the grant for the soup kitchen by \$5000.00 and Rep. Ferland requested a roll call vote. The motion failed, with representatives voting as follows:

YES: Ferland, Houde and Phinizy ABSTAINING: Donovan NO: Cloutier, Converse, Franklin, Gagnon, Gottling, Jillette, Nielsen, Rodeschin and Skinder

Rep. Ferland then moved the question on Rep. Cloutier's motion to pass the EFC budget. Representatives voted unanimously to move the question.

Rep. Franklin then asked for a roll call vote on the motion to pass the EFC budget for a sum of \$27,330,610.00 with \$10,369,380.00 to be raised in taxes. The motion passed, with representatives voting as follows: YES: Cloutier, Converse, Donovan, Gagnon, Gottling, Jillette, and Nielsen NO: Ferland, Franklin, Houde, Phinizy Rodeschin and Skinder

Rep. Franklin announced that he would be calling for a delegation meeting at the end of August and at that time he would be resigning as chair of the delegation because he could not sign the MS-42 for the fiscal 2008 budget. Between now and that meeting, delegates should consider whom they wanted to elect as chair for the rest of the biennium.

Rep. Ferland made a motion to adjourn the meeting at 12:20 pm. The motion passed unanimously.

Next Steps:

Meeting of the Executive Finance Committee in early August at the call of the chair. Full delegation meeting at the end of August at the call of the chair.

Respectfully submitted,

Ellen Nielsen, Clerk

8/31/07 minutes

Type of Meeting: Changes

Sullivan County NH

Date / Time:

Sullivan County Full Delegation August 31, 2007 / 9:00 am

Place:

Ahern Building, Unity

Participants

Representatives: Peter Franklin (Chair), Ray Gagnon (Vice-Chair), Ellen Nielsen (Clerk), John Cloutier, Larry Converse, Tom Donovan, Brenda Ferland, Arthur Jillette, Jay Phinizy, Beverly Rodeschin and Carla Skinder

Commissioners: Ethel Jarvis

Other Elected Officials and County Employees: Cynthia Sweeney, County Treasurer, Greg Chanis, Facilities and Operations Director; Mr. Cunningham, Department of Corrections Superintendant

Public Participant: Jeff Goff

Press: Aaron Aldridge, Eagle-Times

The meeting was called to order at 9:20 and began with the Pledge of Allegiance. (The delay in starting was caused by an attempt to find a tape recorder. The recorder which was provided did not work. In the end, this meeting was not tape-recorded.)

Minutes of July 13, 2007

Copies of the minutes of the last full delegation meeting on July 13, 2007 were distributed and considered. The clerk apologized for forgetting to pick up the tape recorder at the commissioners' office. Rep. Rodeschin asked a question of the chair—if we have elected a clerk, and we trust the accuracy of the clerk's minutes, why do we need a tape? The clerk responded that the tape is useful for preparing accurate minutes.

Rep. Skinder noted that according to the minutes, Rep. Franklin had said that he would resign from his position as chair of the delegation at the August meeting, and asked Rep. Franklin when he was going to resign and what process would be used to choose a new chair. Rep. Franklin responded that he was not going to resign until after the 2007 audit is available. Following up, Rep. Skinder asked if Rep. Franklin still intended to resign, and Rep Franklin responded that he "probably" would resign.

Rep. Converse moved that the minutes be accepted and Rep. Skinder seconded the motion. The minutes were accepted by a voice vote.

Then Rep. Nielsen signed the minutes of July 13, and gave them to Commissioner Jarvis, who agreed to bring them to the commissioners' office on September 4, because they are needed to complete the auditors' report.

Public Participation

Jeff Goff was recognized by the chair and stated that he was speaking as private citizen to express his concern about two issues:

- In choosing a bank from which to borrow money, the county should request bids on interest rates.
- He has been embarrassed by newspaper accounts of the practices of the county delegation and hopes that members of the delegation can begin to look beyond their personal agendas. He thinks the relationship between the delegation and the county manager is unacceptable.

Several representatives asked questions while others thanked Mr. Goff for his comments. Rep. Franklin offered to meet with Mr. Goff privately and Mr. Goff responded that what he had to say should be said in a public forum. Rep. Gagnon said that he had been approached by numerous residents of Claremont who had expressed similar concerns. Rep. Cloutier said that even though criticisms may sting it is important to hear them.

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Next, Mr. Cunningham, who is the new superintendent of the county correctional center, introduced himself and described his previous experience as a state correctional officer. He invited delegates to contact him at any time.

Agenda Review

Rep. Franklin asked if there were additions to the agenda. Rep. Nielsen said that she was aware that the chair of the Unity Conservation Commission, Bardon Flanders, had requested to speak with the delegation and that apparently he had been told that his presentation would not be put on the agenda for this meeting and had assumed that this meant he could not speak at the meeting. Several delegates, including Rep. Franklin, stated that any member of the public may participate in delegation meetings at any time. Rep Nielsen requested that Mr. Flanders be allotted a place on the agenda at the next delegation meeting.

Rep. Rodeschin suggested adding the County Treasurer's request for authority to borrow money to the agenda, and was told that this issue was already on the agenda as part of the discussion of county finances.

Rep. Skinder moved to accept the proposed agenda and Rep. Converse seconded the motion. The motion passed by a voice vote.

County Finances

Most delegation members had received an email with an attached Excel spreadsheet prepared to explain County Treasurer Cynthia Sweeney's request for authority to extend the county's existing line of credit in anticipation of borrowing \$4,000,000 dollars between now and the receipt of tax revenues in early December. Rep. Ferland explained that the Executive Finance Committee had not had a chance to meet to consider this request.

Rep. Phinizy moved that the delegation act as a committee of the whole in order to discuss the county budget and Rep. Converse seconded this motion. Rep. Ferland offered a friendly amendment to the motion, specifying that the committee of the whole would act only on this request from the County Treasurer, and Rep. Cloutier seconded this amendment. The amended motion was passed by a voice vote.

Representatives discussed the fiscal 2008 budget. Except for the County Treasurer's request, there is little new information. The auditor's report is not yet available. Rep. Gagnon commented that putting tax anticipation notes out to bid seemed like a good idea. Rep. Ferland pointed out that the delegation has no authority to solicit bids [on interest rates] from banks and that this is the responsibility of the commissioners and the county treasurer. Comm. Jarvis said that there is an informal process of shopping around for the lowest interest rates.

Rep. Rodeschin said that the delegation must give the county treasurer an authorization to borrow before such a process can take place. Rep. Franklin said that the treasurer had requested and received authorization to borrow up to \$4,500,000 and now was asking to borrow another \$4,000,000. Rep. Ferland asked the chair to allow the county treasurer to speak to her request for authorization from the delegation.

County Treasurer Sweeney explained the cash flow information on the spreadsheet which she had provided and said that the commissioners had already voted to allow the borrowing. She said that it costs about two million dollars a month to operate all county services, and this amount does not include the biweekly county payroll. The primary revenue sources are taxes and the nursing home, although there are smaller amounts of revenue from other sources. Unfortunately the nursing home census is low (126) and the budget had anticipated a patient census of 146. Therefore nursing home revenue is down and there is a cash flow crunch.

Representatives discussed the treasurer's request. Rep Rodeschin said that if we do not authorize the borrowing the county will close down. Rep. Franklin said that it is not unreasonable to ask how the county got into this situation and expressed concern about where the money will come from to operate county services for the second half of fiscal 2008. Rep. Donovan said that it is obvious that the county must borrow money, but asked "What is happening to curtail spending?" Comm. Jarvis said that the commissioners are just as concerned and have asked all department heads to look for ways to cut spending. Rep. Phinizy asked if any of the fiscal 2007 debt (\$2,500,000) had been repaid. The treasurer explained that all revenues which had come in had been used to meet payrolls and to make a \$300,000 payment to the state, and none of the debt had been repaid. Rep. Franklin spoke against authorizing the entire amount which had been requested because no one had taken a meaningful look at expenditures.

Rep. Rodeschin moved that the delegation table the request to authorize borrowing the money. The motion was not seconded.

Rep. Skinder asked if it was necessary to borrow all of the \$4,000,000 at this time. The treasurer responded that she was asking for authorization to set up a line of credit for that amount and that the money would be borrowed as needed. Rep Franklin said that he thought the delegation should authorize the treasurer to borrow only \$1,000,000. Rep. Ferland said that the usual practice of the county has been to ask for an \$8,000,000 line of credit at the beginning of a fiscal year in order to cover payrolls and expenses until tax revenues are available, and that the only way to cut the budget is to cut personnel.

Rep. Skinder moved that the delegation approve the \$4,000.000 line of credit requested by the treasurer and the commissioners. Rep. Ferland seconded the motion.

Discussion continued. Rep. Donovan spoke to the motion and said that the responsibility for making budget cuts belongs to the county commissioners. Rep. Cloutier also spoke to the motion and said he was anxiously awaiting the audit results. Rep. Skinder warned against laying off nursing home staff—if the patient census goes up again it will be necessary to hire agency nurses, which will cost more in the long run.

Rep. Phinizy moved the question and Rep. Donovan seconded the motion. This motion passed by a voice vote. Rep. Franklin requested a roll call vote on the motion to authorize the county treasurer to increase the county's line of credit by \$4,000,000 and to borrow the money as needed. The motion passed, with representatives voting as follows: YES: Cloutier, Converse, Donovan, Ferland, Gagnon, Jillette, Nielsen, Phinizy, Rodeschin and Skinder. NO: Franklin

Rep. Franklin announced that he had signed the MS42 and delivered it to the Department of Revenue Administration, along with a cover letter explaining his reservations about signing it because the fiscal 2007 audit results had not been available. [The clerk previously had signed

the MS42.] Rep. Ferland objected to the inclusion of the letter and asked how the fiscal 2007 audit results were connected with the fiscal 2008 MS42.

New Business

Some representatives complained that they had not received all of the emails which had been sent out by the commissioner's office and the treasurer and/or could not open attachments such as Excel spreadsheets. Most agreed that it would be helpful to receive hard copies of documents, but wanted this to be done in a way that economized on paper (double sides) and postage (sending several items in one envelope.)

Rep. Phinizy moved that all delegates be provided with paper copies of important information as needed. Rep. Cloutier seconded the motion. The motion passed by a voice vote.

Rep. Donovan reported briefly on the work of the committee (Reps. Donovan, Gottling, and Houde) which is working with the commissioners to develop a letter of understanding regarding transfers within and between funds. Rep. Rodeschin expressed concern about the delegation micromanaging the work of the commissioners. Rep. Gagnon pointed out that the committee was not trying to micromanage but was instead seeking closer cooperation with the commissioners. Rep. Cloutier requested that a more detailed report from the committee be included in the agenda for the next delegation meeting.

Rep. Rodeschin moved that the meeting be adjourned and Rep. Skinder seconded the motion. The motion was passed by a voice vote.

No date for the next meeting was set. The delegation will meet again at the call of the chair.

Respectfully submitted.

Rep. Ellen Nielsen, Clerk

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Sullivan County NH

Type of Meeting: Date / Time: Sullivan County Executive Finance Committee October 2, 2007 / 10:00 am Commissioner's Conference Room, Newport

Participants

Representatives: Brenda Ferland (Chair), Ellen Nielsen (Clerk), John Cloutier, Larry Converse, Tom

Donovan, Peter Franklin, Ray Gagnon, Sue Gottling and Beverly Rodeschin

Commissioners: Ethel Jarvis Other Elected Officials: Sharron King, Registrar of Deeds

County Employees: Ed Gil de Rubio, County Manager

Jeff Graham: Certified Public Accountant

The meeting was called to order at 10:00. Expense and Revenue Summaries for July and August were passed out to the participants, along with financial statements from the auditors. Mr. Gil de Rubio announced that the Commissioners would meet at 7:00 pm this evening [10/2]. Mr. Gil de Rubio and Mr. Gram delivered a report on the financial situation of the county, based on the auditors' reports, Mr. Graham's interpretation of those reports, and additional information about the financial transactions of the county during the first quarter of fiscal 2008. Mr. Graham stated that the county administration needed direction from the commissioners about how to handle the deficit, and more specifically, how to repay the 2.5 million dollars borrowed at the end of fiscal 2007.

Mr. Gil de Rubio stated that the biggest financial issue facing the county is the shortfall in revue from the operation of the nursing home. The census is low, and it has been necessary to use a great deal of agency nursing—for example, between \$90,000 and \$100,000 was spent for this item in September. He said that the nursing home had been in a state of "chaos" in June and July but things are improving now. He noted many steps, which could be taken to improve the situation:

- Although a Director of Nursing has been hired, the county has not yet hired a new administrator for the nursing home—this position should be filled soon.
- Some key personnel have left and must be replaced, and more nurses must be hired.
- It is important to work on a "culture change" at the nursing home and also on better relations with the union.

On a brighter note, the county soon will receive a \$118,000 Pro-Share reimbursement.

The representatives, along with Mr. Gil de Rubio and Mr. Graham, continued to discuss the financial problems created by the shortfall in nursing home revenue and how these problems might be avoided in the future. Several people expressed concern about unrealistic high estimates of the nursing home census and in particular, the Medicare census. The discussion shifted to a broader philosophical discussion of a for-profit nursing homes versus tax-supported nursing homes which are not expected to make money. Several representatives requested more detailed financial information and were told by Mr. Gil de Rubio that they would receive it.

Rep. Gottling moved that the Chair, Rep. Ferland, schedule another meeting of the EFC for November. The motion was seconded by Rep. Converse and passed by a voice vote. Rep Cloutier moved that the meeting be adjourned and Rep. Donovan seconded the motion, which passed by a voice vote.

Respectfully submitted,

Ellen Nielsen, Clerk

Sullivan County NH

Type of Meeting: Date / Time:

Place:

Sullivan County Full Delegation October 29, 2007 / 9:00 am Lou Thompson Room

Participants:

Representatives: Peter Franklin (Chair), Ellen Nielsen (Clerk), John Cloutier, Larry Converse, Tom Donovan, Brenda Ferland, Sue Gottling, Arthur Jillette, Jay Phinizy, Beverly Rodeschin

and Carla Skinder (Rep Rodeschin had to leave at 10:30 am)

Commissioners: Ethel Jarvis

Other elected Officials and County Employees: None

Auditors: Frank Biron, CPA, and Sheryl Burke, CPA, Melanson Heath & Company

Public Participant

The meeting was called to order by the chair, Rep. Franklin, at 9:15 am.

Agenda Review:

The agenda was rearranged in order to allow the auditors to present their report immediately after the public participant.

Public Participation:

The public participant stated that she is the mother of a nine-year-old girl who was sexually assaulted three years ago. She said that the perpetrator has not been prosecuted because NH law provides that a defendant has the right to confront an accuser, and the prosecutor in the county (not Sullivan) where the offense occurred has determined that her child should not testify in open court, where she would be required to face the defendant and be cross-examined by his attorney. The public participant asked the delegation to consider sponsoring legislation that would allow some type of televised or *in camera* testimony by child victims in such cases. Several delegation members agreed to do more research on the proposed legislation and to determine if it would be possible to introduce such legislation in 2008 by requesting a suspension of the rules, since the deadline for submitting new bills has passed. [The name of the public participant has been omitted from these minutes to protect the identity of the child.]

Auditors' Report:

The auditors, Frank Biron and Sheryl Burke, reviewed the *Annual Financial Statements* document which they had prepared for Sullivan County with the delegation, and discussed some key points of the accompanying *Management Letter*.

To begin their report, they provided another document, which summarized some of their findings and supported their explanation of why some expenditures did not appear in the monthly revenue and expense statement, which were made available to all representatives. In particular, encumbrances (money committed in the form of purchase orders, etc., but not actually paid out) from fiscal year 2006 appear to have been rolled over into fiscal year 2007 without appearing in the 2007 budget expenditures.

These encumbrances were tracked in a separate fund, (Fund 50) which did not appear on the monthly summary sheets. When Fund 50 is included in the fiscal 2007 budget, the budget is not balanced expenditures exceed budget. The county's fiscal 2007 deficit can be summarized as follows:

Revenues less than budget	(1,406,200)
Expenditures more than budget	(60,541)
Fiscal 2006 encumbrances –Fund 50	(1,205,266)
Audit adjustments	434,409
Total GAAP basis net loss	(2,239,455)
Budget adjustments	11,694
Total budget basis net loss	(2,227,761)

Mr. Biron stated that this independent audit report is still a draft audit report, and that the county commissioners must present a plan to deal with the deficit before the report is finalized. Also, it was pointed out that the money borrowed late in fiscal 2007 to pay ongoing county expenses such as the payroll must be repaid by December 31, 2007.

Rep. Ferland asked if the county needed to create a different method of tracking encumbrances from the previous fiscal year. Ms. Burke said that the problem had been addressed, and that the amount of fiscal 2007 encumbrances carried over into fiscal 2008 is \$197,210.

The auditors then turned to a discussion of the management letter, which accompanied the audit report, and explained that they had identified five material weaknesses, which Sullivan County must correct in order to improve its fiscal management. Their recommendations are:

- 1. Monitor Results of Operations and Establish Fiscal Recovery Plan.

 "We recommend the County establish formal plans to specifically address continuing losses from Nursing Home operations, and to permanently repay the existing bank loan."
- 2. Clarify Nursing Home Budget.
 Budgeted revenues and expenditures for the nursing home, including transfers in and out, shared costs, and capital expenditures, must be clearly identified.
- 3. Close Funds 30 and 42.

 Tracking both nursing home expenditures and general fund expenditures is these funds creates confusion and makes it difficult to determine the true cost of operating the nursing home,
- 4. Monitor Special Revenue Grant Funds. The county must do a better job of keeping track of the special grants funds which it manages. Some of these funds show deficits, or show no activity for fiscal 2007.
- 5. Consider Implementing Internal Control Improvements. In order to identify financial problems earlier, the county should develop a system for performing internal audits during the fiscal year rather than relying on independent audits at the end of the fiscal year.

The delegation had many questions for the auditors, and a number of representatives expressed concern about having received inadequate or misleading information about the county finances during fiscal 2007. In response to a question from Rep. Rodeschin, Commissioner Jarvis stated that the commissioners will develop and present a plan to repay the borrowed money and to improve the county's fiscal management before November 20, 2007. Representatives thanked the Mr. Biron and Ms. Burke for their report and the auditors left.

Old Business--Committee report and recommendation:

Rep. Gottling reported on the work of the subcommittee, which has been working on better collaboration between the commissioners and the delegation on control of spending. The original idea was to create a memorandum of understanding between the commissioners and the delegation, but this had been transformed into a resolution, which read:

Whereas: The County Convention has the power to raise county taxes and to make appropriations for the use of the county; and

Whereas: The County Commissioners are responsible for the day to day operation of the county; and

Whereas: The Executive Finance Committee of the County has the authority to review the expenditures of the county after the adoption of the county budget; and

Whereas: From time to time it may be necessary to transfer funds appropriated for one purpose to augment appropriations for another; and

Whereas: The Commissioners and the Delegation are partners in the oversight of the county budget:

1. Be it resolved that:

All funds appropriated for all line items in the 2008 fiscal year Sullivan County budget shall be non-transferable without prior approval of the Executive Finance Committee or the full County Convention in accordance with RSA 24:14. The one exception is that the commissioners are authorized to transfer funds within a department from one line item to another in the amount not to exceed \$1000.

Each and every transfer shall be reported to the Executive Finance Committee within a week of the transfer. The transfer information shall include the purpose of the transfer, the line item from which the money come, and the line item to which the money will go.

A transfer of less than \$1000 shall not occur more than once unless approved by the Executive Finance committee or the full County convention.

2. Be it resolved that:

The positions listed in the 2008 county budget constitute the authorized positions for fiscal year 2008. No new positions may be created or re-graded without approval of the Executive Finance committee or the full County Convention.

The delegation discussed the proposed resolution: It was pointed out that resolutions are not binding. Rep. Gottling pointed out that other counties have similar resolutions, which are treated as binding. Rep Ferland said the commissioners already ask the EFC to approve transfers, and the EFC should not make personnel decisions. There was general discussion of whether or not the EFC should approve of creating new positions, as opposed to hiring employees to fill existing positions. Comm. Jarvis and Rep. Gottling described an incident in which money was taken from an unfilled corrections position to restore a \$15,000 appropriation to continue the new jail study and subsequently a new corrections position was created. Several asked if the commissioners could live with such a resolution. Comm. Jarvis answered that she could but that she could not answer for the other two commissioners. Rep. Phinizy said he could not vote for the resolution without having input from the county afterney and the other two commissioners.

Rep. Donovan moved that the proposed resolution be passed and Rep Gottling seconded this motion.

Further discussion of the resolution followed the motion, and several amendments were offered.

Rep. Gottling moved that the resolution be changed to a motion by removing the five "Whereas" clauses and the two "Be it resolved" phrases and combining the four substantive paragraphs into one motion. Rep Nielsen seconded this motion. This motion to amend was passed by a voice vote with 9 ayes and 1 nay.

Some representatives thought the \$1000 limit was too restrictive and others thought that an existing position could be re-graded without approval from the EFC.

Rep. Cloutier moved to amend the motion by substituting \$5000 for \$1000 in paragraphs 1 and 3 and removing the words "or re-graded" from paragraph 4. This motion was seconded by Rep. Nielsen. The motion carried by a voice vote, with 8 ayes and 2 nays.

Rep. Phinizy moved to table the resolution and his motion was seconded by Rep. Skinder. This motion failed by a voice vote with 4 ayes and 6 nays.

The amended resolution read as follows:

All funds appropriated for all line items in the 2008 fiscal year Sullivan County budget shall be non-transferable without prior approval of the Executive Finance Committee or the full County Convention in accordance with RSA 24:14. The one exception is that the commissioners are authorized to transfer funds within a department from one line item to another in the amount not to exceed \$5000.

Each and every transfer shall be reported to the Executive Finance Committee within a week of the transfer. The transfer information shall include the purpose of the transfer, the line item from which the money come, and the line item to which the money will go.

A transfer of less than \$5000 shall not occur more than once unless approved by the Executive Finance committee or the full County convention.

The positions listed in the 2008 county budget constitute the authorized positions for fiscal year 2008. No new positions may be created without approval of the Executive Finance committee or the full County Convention.

Rep. Gottling moved the question and Rep. Nielsen seconded and requested a roll call vote.

The amended motion passed 7-3, with representatives voting as follows: YES: Cloutier, Converse, Donovan, Franklin, Gottling, Jillette; Nielsen NO: Ferland, Phinizy: Skinder

New Business--Proposal to restructure the Executive Finance Committee:

Rep. Donovan moved that the delegation act as an Executive Finance Committee of the whole. Rep. Converse seconded this motion.

Extensive and occasionally heated discussion of this motion followed:

Rep. Ferland said that such a large committee would be difficult to convene and it would be difficult to get a quorum. Rep. Phinizy said that he had many other responsibilities and would not have time to serve on the EFC committee of the whole. Rep. Skinder pointed out that she has a job and other responsibilities as well. Rep. Franklin said that as elected representatives we must all take responsibility for trying to solve the county's financial problems. Rep. Gottling pointed out that the delegation already spends much time talking about the county finances, and

so the extra duties might not take much extra time. Rep. Phinizy asked how such a committee of the whole would be structured and who would be the chair the meetings. Rep Nielsen asked if EFC meetings would have to noticed a week in advance by the delegation clerk in the same way as delegation meetings, and if the same kind of minutes would be required as is required for delegation meetings. Rep. Donovan said that he did not think the restructuring would need to be permanent—perhaps only for fiscal 2008, and suggested that the EFC committee could meet just before the delegation meetings as they have done in the past. Rep. Cloutier asked, "What is the goal of such a change? What are you trying to accomplish?" Rep Ferland expressed concern that the proposed change was an attempt to replace her as chair of the EFC. Rep. Cloutier asked the delegation to give the existing EFC another chance to improve their oversight of the county finances.

Rep. Donovan withdrew his motion that the entire delegation act as an EFC of the whole, but Rep. Converse did not withdraw his seconding of the motion, and the motion remained on the floor.

Rep. Cloutier moved to table the motion and Rep. Skinder seconded the motion. The motion to table passed with 7 ayes and 3 nays.

New Business--Proposed meeting with Grafton County delegation:

Rep. Phinizy said that he had been discussing a proposal to combine the Sullivan County and Grafton County correctional facilities in some way with Senator Peter Burling, who represents parts of both counties. Currently both counties are facing the problems of overcrowded and outdated county jails and both are looking for cost effective alternatives to building expensive new facilities. Several members of the delegation expressed concern about the estimated 45 million dollar cost of the proposed new facility. In Sullivan County a committee is studying a plan for a new jail, and one member of the delegation, Rep. Gagnon, sits on the committee. As the discussion continued, the representatives realized that it isn't clear who would be meeting with the Grafton County delegation, the entire corrections committee, or just Rep. Gagnon. If the proposal to collaborate with Grafton County moves forward, it may be appropriate to appoint additional members of the delegation to the county corrections committee.

Rep. Phinizy moved that the delegation committee reviewing construction of a new jail meet with the Grafton County delegation and pursue the possibility of a joint Sullivan and Grafton County jail. The motion was seconded by Rep. Skinder. The motion passed by a unanimous voice vote.

Rep Franklin asked if there were any other new business, and hearing none, suggested that the meeting be adjourned.

Rep. Cloutier moved that the meeting be recessed to the call of the chair. Several representatives seconded the motion. The motion passed by a unanimous voice vote.

The meeting was recessed at 12:50 pm.

Next Steps:

The EFC and the delegation plan to meet again as soon as the commissioners are ready to present a plan to deal with the deficit.

Respectfully Submitted,

Vielsen 4/28/08

Ellen Nielsen, Clerk

Type of Meeting: Date / Time: Place:

Sullivan County NH Sullivan County Full Delegation December 10, 2007 / 10:00 am Newport County Complex

Participants:

Representatives: Peter Franklin (Chair), Ellen Nielsen (Clerk), John Cloutier, Larry Converse, Tom Donovan, Ray Gagnon, Sue Gottling, Matthew Houde, Arthur Jillette, and Jay Phinizy Other Elected Officials and County Employees: Greg Chanis, Interim County Manager; Sharon King, Registrar of Deeds; Michael Prozzo, County Sherriff Press: Aaron Aldridge from the *Eagle-Times*

The recessed meeting of October 29, 2007 was reconvened and called to order by the chair, Rep. Franklin, at 10:05 am.

Agenda Review: No agenda had been distributed in advance. Representatives agreed to hear a report from the interim county manager and talk about the county budget, the departure of County Manager Gil de Rubio, other old business, and other new business.

Minutes: Copies of minutes for the delegation meetings of December 13, 2006 and October 29, 2007 were made available. Rep Converse moved that the minutes for 12/13/06 be approved. Rep Cloutier seconded the motion. The minutes were approved by a unanimous voice vote. The minutes for October 29 required several corrections, and approval of these minutes will be postponed until the next delegation meeting.

Interim County Manager's Report: Mr. Chanis explained that his position had not yet been formally confirmed, and that he will be able to answer questions in more detail after the next commissioner's meeting on December 18. Rep. Converse asked some questions about the wells which serve the nursing home and the correctional center in Unity. Mr. Chanis said that one of the two deep wells which provide water for the Unity complex had required rehabilitation and that this work has been completed successfully and the well is producing three times as much water as before. He also described the back-up water system (surface water from Marshall Pond) which currently provides water for the laundry and for fire protection.

County Budget: Representatives asked how much money has been borrowed so far this fiscal year and whether the commissioners had developed a plan to deal with the budget deficit. The answer to the first question was provided when Mr. Chanis left briefly and returned with a spreadsheet prepared by Dodi Violette which indicated that \$6,900,000 had been borrowed so far. He added that about \$450,000 more would be needed to meet the next payroll. (Approximately \$10,370,000 in tax receipts will be received on December 17.) The answer to the second question is that the commissioners hope to present a plan at their December 18 meeting. The auditors will be present at this meeting and the meeting may include the exit interview which the auditors require before they can finalize their report for fiscal 2007. At the last EFC meeting several members of the EFC had received a list of budget cuts or freezes proposed to the commissioners by department heads. Rep. Converse asked the Registrar of Deeds and the County Sherriff if they would be able to make the proposed cuts. Sherriff Prozzo responded that although the commissioners had not yet confirmed the freezes, he was not going to spend the money. Ms. King, the Registrar of Deeds, pointed out that her revenues were lower this year because fewer deeds had been recorded due to the real estate slump. Both of these department heads are waiting for word from the commissioners to put proposed cuts or freezes into effect. Representatives talked about other strategies for reducing the budget deficit. Rep. Franklin said that closer monitoring of grant money administered by the county could save money—for example, employees whose salary is supposed to be paid by grants sometimes are on the county payroll and the county is not fully reimbursed. (This was mentioned as a material weakness in the auditors' management letter.) Also, Rep. Franklin believes that Genesis was overpaid and that some of this money could be recovered. Rep. Franklin and Rep. Gottling will act as a committee to investigate these possible options to recover money for the county.

Representatives expressed support of the steps the commissioners appear to be taking to deal with the county financial deficit and wanted to know how to support these efforts.

Rep. Cloutier moved that the delegation pass "a non-binding resolution stating the delegation's full support of the commissioners' recent actions instituting budget freezes in the FY 2008 budget as well as taking over direct management responsibility for the nursing home and the house of corrections. Furthermore, the delegation urges the commissioners to continue doing everything possible to freeze expenses in the FY 2008 budget without negatively impacting essential services." This motion was seconded by Rep Gagnon.

Extensive discussion followed. Several representatives applauded the sentiment of the resolution but stated that they wanted to see the commissioners' plan before they passed the resolution. Rep Cloutier moved that his motion be tabled and Rep. Converse seconded this motion. The motion to

table passed by a voice vote, with one person voting "nay."

Resignation of the County Manager: Mr. Chanis, the interim county manager, had previously been introduced and had presented his report. Rep. Franklin asked if there were comments or questions about the resignation of Mr. Gil de Rubio. No one responded.

Old Business: Rep Gagnon presented a follow-up report on the issues raised by the public participant during the meeting of October 29, citing Federal case law which provides that a child may testify in camera in such a way that the child does not have to be in the presence of an alleged abuser. However, this does not appear to be the practice in New Hampshire. Rep. Gagnon mentioned that Senator Odell may be interested in sponsoring legislation. Rep. Phinizy suggested that Rep Gagnon speak with the House rules committee, since the deadline for sponsoring new legislation has passed. Several Sullivan County representatives may be interested in co-sponsoring legislation to protect children who must testify in criminal trials against their alleged abusers, if the missed deadline impediment can be overcome.

The delegation re-visited the idea of collaborating in some way with the Grafton County delegation, since both counties are considering building new correctional facilities. Several representatives stressed the need for a comprehensive corrections plan including alternatives to incarceration as well as a new building. Rep. Franklin was asked to write a letter to the chair of the Grafton County delegation expressing our interest in cooperating with Grafton County to develop a regional approach to corrections, and Rep. Gagnon was asked to report back on further activities of the county criminal justice committee.

Rep. Franklin asked if there were any more old or new business to be discussed, and hearing none, declared that the meeting was adjourned until the call of the chair, indicating that this call probably would be heard before mid-January.

Respectfully submitted,

Ellen Nielsen, Clerk

Sullivan County NH

Type of Meeting:

Delegation Executive Finance Committee

Date/Time:

January 25, 2008 / 10:00 am

Place:

Newport Remington Woodhull County Complex

Jury Assembly Room

Finance Committee Members Present: Reps. Brenda Ferland, John Cloutier, Larry Converse, Tom Donovan, Suzanne Gottling, and Peter Franklin, Exofficio

Other Attendees: Greg Chanis, Interim County Manager, Cynthia Sweeney, Treasurer, Peter Lovely, Deputy Treasurer, and Members of the public, County employees and Elected Officials

Meeting was called to order at 10:00am.

Mr. Chanis, acting County Manager, passed out a cash flow analyses. He went on to explain where he thought the County would be at the end of this fiscal year, and where the members would be at the end of the first six months of the '09 budget.

Treasurer Sweeney and Deputy Treasurer Lovely explained why they came up with a four million figure as the number to borrow.

A motion to borrow up to \$4,000,000.00 was made by rep. Cloutier and seconded by Rep. Converse.

After a brief discussion Rep. Franklin made an amendment that was seconded by Rep. Gottling. During further discussion it was noted that Rep. Franklin could not make a motion, as he was an Exofficio of the Executive Finance Committee voting on the original motion was delayed.

Sheriff Prozzo presented information to the committee that would allow the Sheriff to enter in to an agreement on leasing 8 new vehicles. He went on to say that this was a lease agreement for 4 year and the first payment would be in the '09 budget.

Rep. Donovan made the motion, seconded by Rep. Gottling the motion carried 5-0 on a roll call vote.

Superintendent Cunningham, Dept. of Corrections, along with Kevin Warwick, consultant, did a presentation on the proposal for a new building to house inmates. Information was passed out and Superintendent Cunningham was invited to attend another EFC meeting as more information becomes available.

Mr. Chanis went over the transfers of frozen funds. Frozen funds cannot be drawn from until presented to the EFC in the future.

A motion was made to accept the frozen funds recommendations, by Rep. Cloutier, seconded by Rep. Converse. The motion carried 4-0 on a roll call vote.

A motion was made by Rep. Donovan seconded by Rep. Converse to transfer lines around in contract nursing. Motion carried 4-0 on a roll call vote.

The Chair then went back to do a vote on the motion of borrowing four million dollars. The motion passed on a 4-1 roll call vote.

There was a motion to transfer funds to a line titled Federal Forfeiture, as requested by the auditors. Motion made by Rep. Cloutier, seconded by Rep. Gottling. Roll call vote 4-0 motions carried.

Motion to adjourn by Rep. Cloutier, seconded by Rep. Converse.

Meeting adjourned 2:10 pm.

Respectfully Submitted,

Rep. Brenda Ferland, EFC Chair Sullivan County Delegation

BF/lg

Sullivan County NH

Type of Meeting:

Delegation Executive Finance Committee

Date/Time:

February 15, 2008 / 10:00 am

Place:

Newport Remington Woodhull County Complex

Commissioners Conference Room

Finance Committee Members Present: Reps. Brenda Ferland, John Cloutier, Susan Gottling, Larry Converse, Tom Donovan, and Peter Franklin, *Exofficio*

Other Attendees: Greg Chanis Interim County Manager, Rep. Beverly Rodeschin, Members of the public

Meeting was called to order at 10:03

Minutes of Jan. 25, 2008 meeting: one correction was spelling of Rep. Suzanne Gottling's first name.

Motion to approve with correction by Rep. Cloutier, seconded by Rep. Donovan. Voice vote aves have it.

Transfer of funds:

Department of Correction: Sheet A Motion to approve by Rep. Donovan, seconded by Rep. Cloutier voice vote ayes.

Sullivan County Health Care: Sheet B Motion to approve by Rep. Converse, seconded by Rep. Donovan voice vote ayes.

County Manager: Sheet C Motion to approve by Rep. Donovan seconded Rep. Converse voice vote ayes.

Sheriff's Department: Sheet D Motion to approve by Rep. Donovan seconded Rep. Cloutier voice vote ayes.

County Manager: Sheet E Motion to approve by Rep. Cloutier seconded by Rep. Converse voice vote ayes.

10:50 am a 5-minute break was declared so Chair Ferland could sign each of the transfer request so Mr. Chanis could return papers to the Commissioner's office.

Meeting back in at 11:00 am Mr. Purdy, Dept. Head of SCHC passed out charts on census rates, budgeted amounts, and projections. All three handouts enclosed.

There was a discussion on the paper known as the borrowing of funds. After discussion, Rep. Converse made a motion to strike the word "unanimously" from the document here to be identified as the attested copy signed by County Delegation Clerk.

Motion was seconded by Rep. Gottling voice vote ayes.

Rep. Donovan left the meeting. Document was changed and there was further discussion. Voice approval was given to change.

Motion to adjourn made by Rep. Gottling seconded by Rep. Converse ayes.

Meeting adjourned at

Respectfully Submitted,

Gred - ger

Rep. Brenda Ferland, EFC Chair Sullivan County Delegation

BF/lg

Type of Meeting: Date / Time: Place: Sullivan County NH Sullivan County Full Delegation April 28, 2008 / 9:00 am Newport County Complex

Participants:

Representatives: Peter Franklin (Chair), Ray Gagnon (Vice-Chair) Ellen Nielsen (Clerk), John Cloutier, Larry Converse, Brenda Ferland, Sue Gottling, Matthew Houde, Arthur Jillette, and Carla Skinder

County Commissioners: Ethel Jarvis; Ben Nelson

Other Elected Officials and County Employees: Michael Prozzo, County Sheriff; Marc Hathaway, County Attorney; Bruce Cardello, District Court Judge; Greg Chanis, Interim County Manager; Ross Cunningham, Corrections Supervisor; John Gramuglia, Director of Treatment Program

Public Participant: Tom Connair

Press: Aaron Aldridge from the Eagle-Times

The meeting was called to order by the chair, Rep. Franklin, at 10:05 am.

Agenda Review:

The order of the agenda was changed in order that Judge Cardello might address the delegation before the Newport District Court session began, and that the Department of Corrections presentation might follow directly after Judge Cardello.

Judge Cardello's Remarks:

Newport District Court Judge Bruce Cardello spoke in support of the Corrections Department proposal to create a new treatment program facility and upgrade the existing county jail facility. He pointed out that a residential treatment program will reduce recidivism and will eventually reduce the jail population because a large proportion of the inmates go to jail or return to jail because of substance abuse or mental health issues. He said that we cannot afford to build a new jail, nor can we afford to do nothing. Judge Cardello believes the proposed program makes sense on both a financial and a human level.

Department of Corrections Presentation:

Mr. Cunningham, Mr. Gramuglia, Mr. Chanis, Sheriff Prozzo and Attorney Hathaway participated in a detailed presentation which lasted more than an hour. Members of the delegation were provided with several handouts and will be emailed copies of the Power Point presentation outline. Since all of the detailed information already is available to the delegation and the public in printed and electronic form, the presentation will be summarized briefly in these minutes:

For years, the Sullivan County Department of Corrections has been faced with trying to house increasing numbers of inmates in an aging, inadequate and unsafe county jail facility. One option the county commissioners have been exploring for several years is building a new jail at a cost of between 30 million and 45 million dollars. Another option is to continue using the existing jail, and possibly to make some repairs to the physical plant which would address some of the safety issues, but not the overcrowding. Now the Department of Corrections is proposing a third option, which combines repairs to the old jail with building an new 68-bed facility which will be used as a transitional housing unit and a treatment center which will house a 90 day substance abuse treatment program. The cost of the repairs and new construction will be about 7 million dollars. In addition, some new staff will be hired to operate the treatment program. The treatment and community re-entry services will be available to both male and female inmates. Because 80% to 90% of people sentenced to the county jail have substance abuse issues, and because many of them are back in jail due to violations of probation, etc. and appear to be caught up in a cycle of crime and recidivism, it seems likely that an effective treatment/rehabilitation program will reduce the number of inmates, reduce the crime rate and save the

taxpayers' money in the long run. This proposal is the product of a year of work by a committee which includes one member of the delegation, Rep. Gagnon.

The delegation's response to the corrections proposal was generally positive. Rep. Skinder pointed out that if we do not at least repair the existing facility; the county could be vulnerable to a large lawsuit because there is no sprinkler system and no way to release prisoners rapidly in the event of a fire. There were questions about how much the project will cost and how it will be financed. The corrections staff and Mr. Chanis explained that they think it will be cheaper to ask for bids on designing and building the new facility rather than hiring an architect and then putting the building project out to bid, and that, given the present low interest rates, borrowing the money rather than issuing bonds might be a less expensive way to finance the project. Several representatives wanted to know what the Department of Corrections and the commissioners needed from the delegation at this time. Mr. Cunningham said that at this point the corrections committee was asking for the delegation's reaction and for approval to continue with planning, and was not asking for a final commitment to borrow money for construction. Although some money may be spent during the planning process, the project, if approved, would not be part of the fiscal 2008-2009 budget. Rep. Franklin said that he feels the delegation could not approve such a project without much more information about the details—for example; will the new facility have a basement? Mr. Cunningham said that timing is everything and that the delegation's approval of the concept is needed so that the planning can continue. Rep. Nielsen said that the county appears to have three choices: to build a new jail at a cost of up to 40 million dollars, to encourage the corrections committee and the commissioners to continue working on the proposed project, or to do nothing. (At this point, Rep. Franklin had to leave, and Rep. Gagnon took over as acting chair.)

After more discussion, Rep. Ferland offered a motion, seconded by Rep. Skinder: That the commissioners continue with the plans for the new treatment facility and upgrades to the House of Corrections.

After some questions about whether or not this motion would lock the delegation into a financial commitment for the 2008 budget, and after hearing from Mr. Cunningham about several presentations to the community, all of which received favorable receptions, Rep, Houde offered a friendly amendment to the motion, seconded by Rep Skinder:

That the delegation supports the concept of the project and the work done on the proposal to date and encourages further outreach to the community, recognizing that no financial commitment or final decision is made by this vote.

A roll call vote was requested by several representatives. The motion passed with a vote of 9-0, with representatives voting as follows: YES—Cloutier, Converse, Ferland, Gagnon, Gottling, Houde, Jillette, Nielsen and Skinder. NO—none

Public Participation:

Tom Connair, the attorney who represented the city of Claremont in the Claremont lawsuit regarding public school funding, had requested to participate in the meeting. Mr. Connair warned the delegation that the proposal to amend the NH Constitution, which is currently being considered by the Democratic leadership of the House and Senate, could have the effect of taking the fundamental right to an education out of the constitution. He pointed out that previous efforts to allow targeted aid (such as the Augenblick formula) did not work because the legislature simply did not appropriate sufficient funding. Mr. Connair warned that if the state is not required to fund adequacy for every town, the end result may be that it will not fund adequacy for any town, since there is always a fiscal emergency. He urged Sullivan County representatives to be skeptical of any constitutional amendment, because even if it seems to promise increased funding for their districts in the short run, in the long run, local taxpayers might pay a greater share of the cost of education. Mr. Connair handed out a newspaper op-ed article explaining his ideas in more detail.

(At this point, Rep. Houde had to leave, and only eight representatives remained.)

Minutes of October 29, 2007 and December 10, 2007:

Copies of minutes for the delegation meetings of October 29, 2007 and December 10, 2007 were made available. The auditors had requested several corrections of the minutes for October 29, and after these corrections were made, Rep. Converse moved that the amended minutes be approved and Rep. Gottling seconded the motion. The minutes of October 29, 2007 were approved by a unanimous voice vote. Rep. Ferland and Rep. Skinder had not been present at the meeting of December 10, 2007 and were not able to participate in a vote approving those minutes. Since there was not a quorum, the minutes of December 10, 2007 could not be approved. These minutes will be reviewed at the next delegation meeting.

Old Business:

Rep. Ferland said that she would be sending out a schedule for the Executive Finance Committee meetings. Rep. Nielsen, the delegation clerk, said that several representatives had requested that she attend all EFC meetings and take minutes which would be made available to all members of the delegation. However, the EFC meetings have been scheduled for Mondays and Fridays, and Rep. Nielsen usually works on those days as a substitute teacher. After some discussion, Rep. Ferland agreed that she or another member of the EFC could take brief minutes which recorded the decisions made during the meetings and post these minutes on the county website.

In a related issue concerning the clerk's duties, Rep. Cloutier said that he and Rep. Converse has sponsored a bill which would have allowed either the chair or the clerk or their designees to give notice of a delegation meeting. (Current law requires that the clerk do this. In practice, what normally happens is that the chair asks the clerk to arrange the meeting, and the clerk communicates with staff in the commissioners' office.) The ED&A committee amended the bill to say that the clerk or the clerk's designee should give notice of a delegation meeting.

New Business:

There was no pressing new business. The next steps will be for the EFC to work with the commissioners on the fiscal 2008-2009 county budget, and to report on their decisions to the rest of the delegation.

Rep Ferland moved that the meeting be adjourned, and her motion was seconded by Rep. Cloutier. The motion carried with a unanimous voice vote.

The meeting was adjourned by the acting chair, Rep. Gagnon, at 11:45 am.

Respectfully submitted,

Ellen Nielsen, Clerk

Type of Meeting: Date / Time: Place:

Sullivan County NH Sullivan County Full Delegation May 19, 2008 / 8:30 am Newport County Complex

Participants:

Representatives: Peter Franklin (Chair), Ray Gagnon (Vice-Chair) Ellen Nielsen (Clerk), John Cloutier, Larry Converse, Tom Donovan, Brenda Ferland, Sue Gottling, Matthew Houde, Arthur Jillette, Jay Phinizy, Beverly Rodeschin and Carla Skinder

Other Elected Officials and County Employees: Michael Prozzo, County Sheriff; Marc Hathaway, County Attorney; Sharron King, Registrar of Deeds; Greg Chanis, Interim County Manager; Ted Purdy, Nursing Home Director

Media: Eagle-Times, Newport Community Television

The meeting was called to order by the chair, Rep. Franklin, at 8:40 am.

Minutes:

Rep. Converse moved that the minutes of December 10, 2007 be approved. Rep. Gottling seconded the motion. The minutes were approved by a voice vote, with Rep. Ferland, Rep. Rodeschin and Rep. Skinder abstaining. Rep. Cloutier moved that the minutes of April 28, 2008 be approved, and Rep. Skinder seconded the motion. The motion carried with a voice vote. Rep. Rodeschin abstained.

Agenda Review:

At the request of the Chair of the Executive Finance Committee, Rep. Ferland, the order of the agenda was changed in order that the delegation might set the salaries of elected county officials for the next biennium, as required by law. The entire delegation meeting was devoted to this urgent agenda item, and the other items on the agenda were not covered.

Salaries of Elected County Officials:

Rep. Ferland and Rep. Gottling presented the recommendation of the Executive Finance Committee. By a vote of 4 to 1, the EFC recommended that the salaries of the full-time elected officials (the Sheriff, the County Attorney and the Registrar of Deeds) be level funded because of the county budget crisis. By a vote of 3 to 2, the EFC also recommended that the salaries of the part-time elected officials (the Commissioners and the Treasurer) be level funded. Rep. Gottling passed out 3 spread-sheets, which showed the history of raises received by elected officials since 2000 and compared Sullivan County salaries with those in other counties. According to Rep Gottling, her data shows that even if salaries are level funded for the next two years, the average increase over 10 years would be more than 3%. Rep. Donovan said that although he originally favored a pay increase, the commissioners themselves had recommended level funding. Rep. Cloutier noted that Sullivan County is in the middle of the pay scale range—Coos County, which has a similar population and tax base, pays lower salaries. Rep. Phinizy asked if there should be a cost of living raise and said that the real problem is that the state continues to downshift costs to the counties. Rep. Skinder said that because of increased costs for gasoline and food, level funding is actually a pay cut. Several representatives pointed out that the deficit in the county budget is due to the cost of the nursing home, not the salaries of elected officials. Rep. Gagnon said that although he knew the elected officials were doing a good job, he would not know what to say to a retiree living on a fixed income and struggling to pay property taxes if he voted for a pay increase.

Rep. Converse moved that the delegation accept the report of the Executive Finance Committee to level fund salaries of elected officials and Rep. Cloutier seconded the motion.

More discussion followed the motion: Rep. Houde said that cutting these salaries was the wrong place to start cutting the budget. Rep. Franklin said that this would be the first of many cuts. Rep. Rodeschin pointed out that the total amount of salary which would be cut is \$5500. Rep. Gottling said that a raise in salaries would also result in a raise in FICA and retirement benefits.

Rep. Cloutier called the question and Rep. Phinizy seconded this motion. The motion to accept the report of the EFC failed by a roll call vote of 6-7, with representatives voting as follows:

YES: Cloutier. Converse, Franklin, Gagnon, Gottling; Nielsen

NO: Donovan, Ferland, Houde, Jillette, Phinizy, Skinder; Rodeschin

Sheriff Prozzo and County Attorney Hathaway asked to speak. Sheriff Prozzo pointed out that his department actually creates revenue for the county because the sheriff's department contracts with the towns of Unity and Lempster to provide law enforcement services. Mr. Hathaway said that, historically, the non-bargaining county employees have received higher raises than elected officials. Both said that their departments were not the source of the budget deficit. There was general agreement with what had been said earlier—the county budget deficit is a result of the high cost of operating the county nursing home.

Rep. Skinder moved that the salaries of the three full-time elected officials, the County Attorney, the Sheriff, and the Registrar of Deeds, be raised by 1.5% per calendar year. Rep. Donovan seconded this motion.

There were questions about whether or not the delegation could give the elected county officials a raise that would be increased in the second year of the biennium. The consensus was that this had been done before, and the law specified that the salaries shall be determined by the delegation, but not how.

Rep. Cloutier called the question, seconded by Rep. Skinder. The motion to raise the salaries of the three full-time elected officials carried by a roll call vote of 11-2, with representatives voting as follows: YES: Cloutier, Donovan, Ferland, Gagnon, Gottling, Houde, Jillette, Nielsen, Phinizy, Skinder; Rodeschin NO: Converse; Franklin

Rep. Cloutier moved that the salaries of the part-time elected officials, the County Treasurer and the three County Commissioners, be raised by 1.5% per calendar year. Rep. Converse seconded this motion.

Rep. Cloutier spoke to his motion, say that the commissioners were working hard to cut the budget and get the county back on the right track.

Rep. Nielsen called the question and Rep. Houde seconded this motion. The motion to raise the salaries of the Treasurer and the Commissioners by 1.5% per calendar year carried by a roll call vote of 9 to 4, with representatives voting as follows:

YES: Cloutier, Converse, Donovan, Gagnon, Gottling, Houde, Nielsen; Skinder

NO: Ferland, Franklin, Phinizy; Rodeschin

Since the EFC was scheduled to meet at 10:00, and Mr. Purdy was waiting to speak with that committee, the Chair suggested that the meeting should be recessed until the following week.

Rep. Rodeschin moved that the meeting be recessed until 8:30 am on Wednesday, May 28 and Rep. Gottling seconded this motion. The motion to recess passed by a unanimous voice vote.

Respectfully Submitted
Floon Vulsen

Minutes of Executive Finance Committee (EFC) May 19, 2008

EFC Members present: Representatives Ferland, Chair, Cloutier, Converse, Donovan and Gottling; Reps. Franklin (ex officio), Gagnon (ex officio). Other Delegation members present: Nielsen (Delegation Clerk), Rodeschin.

County employee present: Sullivan County Health Center Administrator, Ted Purdy.

The meeting was called to order by Chair, Representative Ferland at 10:00 a.m. Mr. Purdy began discussion of the Fund 40 budget items. He said there were only minor changes to the Commissioners' original budget. The Marketing department consists of 2 positions, Director of Admissions and External Care Coordinator (ECC). The ECC requires a travel budget as part of the job. Money left in the 2008 budget is more than projected because the position was unfilled for part of the year. The 2009 figure for Travel of \$4,000 reflects gas for the former County Manager's car instead of mileage for use of a personal car. This car is kept in Unity. Costs for repair and maintenance is in the Commissioners' budget.

SCHC spent \$800 so far this year on Advertising and Public Relations although \$5,000 was appropriated. \$3500 was appropriated in Fiscal Year (FY) '07 and this will be the figure for 2009. Rep. Franklin asked how much of the year the two positions were filled. The Director of Admissions position was filled all year and the External Care Coordinator (ECC) filled recently, within the last 6 to 8 weeks. Rep. Franklin inquired about Performance Benchmarks. Are there any? Mr. Purdy answered that the ECC is expected to perform screenings of prospects and make referral contacts. The goal is the same as the overall census goals of SCHC.

Mr. Purdy said that the salaries for the administrator, office manager, and administrative assistant is less than administrative expenses under Genesis, the private company providing administration until July, 2007. There is a 3% raise for non-bargaining employees and a 6% raise for union employees. The 6% covers the possibility of a retroactive raise being included in the final union contract. There are 3 2-person health plans in the budget. New retirement figure is \$14,687, less than the figure in the published budget. \$5,000 for Education and Training includes expenses for helping a second person gain Nursing Home licensure. This will provide a backup so that the county does not have to employ expensive consultants to bridge an administrator gap.

\$50,000 is budgeted for the auditors and contract services. Landmark consultants will be available on an as-needed basis with no minimum expenditure required. Use of consultant services may be offset by the proposed position of county comptroller.

Nursing and Dietary department budgets were reviewed. \$8500 is proposed for memberships, dues, and subscriptions. Rep. Ferland asked Mr. Purdy to provide a breakdown of these expenses. It includes laboratory fees. Other expenses noted were \$300 for postage and \$18,000 for telephone service for the facility. Mr. Purdy stated that residents pay for their personal telephone service directly to the phone company.

Rep. Donovan expressed concern about getting into expensive consulting and administrative services again. He felt there should be more networking with other facilities to share resources and information. He asked if we were making use of state resources. Mr. Purdy said he was but still needed consultants for other purposes such as assessing care plans. Rep. Donovan mentioned that Medicaid now plays for incontinence supplies and wondered if SCHC could get reimbursement for these supplies.

Rep. Franklin asked what is the \$18,000 phone bill for? He was told it was only for the facility operation.

A discussion ensued about Medicaid write-offs. There is a projected decrease because SCHC is staying more on top of past-due balances than in the past. The \$138,000 write-off for this year is from 2005 and 2006 claims or bills. SCHC has an ambitious goal to decrease this amount. Billing errors which lead to write-offs can be reduced by timely and accurate billing. Because there is only one business office person, he has reassigned a secretarial position to an administrative assistant position to help out.

Rep. Gagnon left the meeting at 11:00 a.m., Rep. Donovan at 11:20 a.m., and Rep. Nielsen left at 11:34 a.m. Rep. Cloutier then took over the duties of clerk.

The next discussion concerned the Administrative section of the SCHC proposed budget. Mr. Purdy presented figures for SCHC based on the resident census for FY '07, '08, and proposed figures for FY '09. Mr. Purdy completed review of the Dietary department and began review of the Nursing budget.

Rep. Franklin left the meeting at 12:15 p.m. Mr. Purdy answered questions about the Nursing budget while those present had a working lunch paid for by those present.

Mr. Purdy answered questions about the number and quality of the present nursing staff as well as the use of agency nurses when there is a shortage. Discussion centered on staffing, funds for staff salaries and the amount that should be budgeted for group health insurance. Should we assume the worst case that all staff would take the family health insurance plan. Next, Mr. Purdy discussed Nursing On-Call in the proposed budget followed by the Physician and Pharmacy sections, Medicare Part A and Part B, Physical Therapy, Occupational

Therapy, Recreational Therapy, Social Services, and Dental Services. Questions were asked about the continuing relationship between Genesis and PT and OT.

Acting Administrator Greg Chainis, who had entered the room about 1:30 p.m., reviewed the Transfer Out section of SCHC. Together, Purdy and Chainis went over SCHC revenue figures. (Rep. Gottling took over clerk duties for 5 minutes.) They looked at possible Pro-Share payments. Medicaid Assessment is the bed tax. It seems to be in line for this year at approximately \$45 per Medicaid patient per day. Discussion ensued over the amount of Medicaid revenue that will be brought in. Mr. Purdy, when asked by Rep. Cloutier, what was needed to close a floor, replied that SCHC would have to lose another 20 patients. The chair requested that Mr. Purdy prepare a breakdown on staff employment needs for FY 2009.

Mr. Chainis pointed out that on page 68 of the Commissioners' Proposed Budget, \$835,000 appears on the expense side of the budget to pay off part of the FY '07 deficit of \$2,500,000. On the advice of Mr. Paul Brown and the Department of Revenue Administration, the county should use instead a Contra revenue line that will appear on the Revenue side of the budget. The Delegation may choose to use some other dollar figure for dealing with the deficit. Mr. Chainis intends to recommend at the May 20 meeting that the Commissioners amend their budget and deal with the deficit through this Contra Revenue process.

The Chair announced that she plans to take up County Grants at the Friday, May 23 EFC meeting. Rep. Cloutier moved and Rep. Gottling seconded a motion to adjourn at 2:49 p.m.

Acting Clerk, John Cloutier

5/23'08 EFC Minutes

EFC members present: Representatives Ferland, Cloutier, Converse, and Donovan.

Elected officials and County employees present: Commissioner Jarvis, Acting County Administrator Chainis.

The meeting was called to order at 10:00 a.m. followed immediately by a discussion of proposed budget transfers as recommended by the commissioners. The first set concerned Sullivan County Health Care (SCHC). Because of many questions, further discussion was postponed until Mr. Chainis can get more detailed information.

Rep. Rodeschin entered at 10:10 a.m.

The EFC then discussed the Sheriff's Department's proposed set of transfers. Rep. Cloutier moved, seconded by Rep. Donovan, to approve the transfers. The motion was approved on a 4-1 division vote. Rep. Gottling requested that the Department provide more detailed information on future transfers.

Rep. Converse moved, seconded by Rep. Donovan, to approve two transfers within the Department of Corrections (DOC) budget. The motion was approved on a 5-0 division vote after a brief discussion.

The following budget transfers were discussed: Commissioners' Office, Auditor, County Manager, Payroll, Conservation District, Woodhull County Complex, Cooperative Extension, Human Resources, Facilities and Operations, Laundry and Linen, and Housekeeping. Rep. Donovan moved, Rep. Cloutier seconded a motion to approve these transfers. The motion was approved on a 4 – 1 division vote.

The EFC then reviewed Fund 24 grants with Mr. Chainis. Concerns were raised because revenue and expense on some of these in and out grants did not match. Further discussion was postponed. Fund 10 grants were then discussed. The chair presented her recommendations for the agencies requesting funds. Some cuts were recommended. Rep. Converse moved, Rep. Cloutier seconded a motion to restore the chair's proposed reduction in the Soup Kitchen's grant from \$15,000 to \$20,000. The motion failed on a 2-2 division vote. Rep. Donovan abstained because he serves on the Board of Directors of the Soup Kitchen.

Rep. Converse moved, Rep. Cloutier seconded, a motion to eliminate Lake Sunapee Mediation's grant proposal of \$10,000. After lengthy discussion on County Grants in general, Rep. Converse withdrew his motion and Rep. Cloutier his second. Rep. Converse then moved to reduce all County Grant requests by 25%. Rep. Gottling seconded the motion. After more discussion, the motion and second were withdrawn. Rep. Ferland moved, Rep. Clutier seconded a motion to

set Lake Sunapee Mediation's grant at \$10,000. Motion was defeated on a 2-2 division vote, with Rep. Donovan abstaining.

Rep. Gottling moved, Rep. Converse seconded, a motion to set Lake Sunapee Mediation's grant at \$7500. The motion was approved on a 3-1 division vote, Donovan abstaining. Rep. Converse moved, seconded by Cloutier, to set the Community Alliance's grant at \$23,250. The motion was approved on a 3-1 vote.

Rep. Converse moved, seconded by Gottling, to cut the Community Transportation grant by 25% to \$28,500. Motion was defeated on a 4 – 0 division vote. Rep. Ferland moved, Cloutier seconded, a motion to fully fund the Community Transportation grant at \$38,000. The motion was approved on a 3 – 1 division vote.

Rep. Converse moved, seconded by Gottling, to reduce the Turning Points network grant by 25% to \$41,250. The motion was defeated by a 3-1 vote. Rep. Gottling moved, seconded by Converse, to reduce Turning Points Network grant to \$50,000. Thr motion was approved on a 3-1 vote.

Rep. Converse moved, seconded by Cloutier to set the Soup Kitchen's grant at 20,000. (Rep. Franklin entered the room at 12:12 p.m.) The motion was approved 3-1.

Rep. Cloutier moved to set Good Beginnings grant at \$25,000. There was not second. Cloutier moved, and Converse seconded, to set Good Beginnings grant at \$20,000. The motion was defeated on a 2-2 tie. Rep. Gottling moved, seconded by Converse, to set Good Beginnings' grant at \$22,500. The motion was approved on a 4-0 vote.

Rep. Ferland moved, seconded by Gottling, to set RSVP & Volunteer Center grant at \$1000. The motion was approved on a 4 – 0 vote.

Rep. Gottling moved, seconded by Converse, to set Newport Enrichment Team's grant at 0. The motion was approved on a 4-0 vote.

Rep. Converse moved, seconded by Cloutier, to eliminate the Friend's grant. The motion was approved by a 4-0 vote.

The EFC agreed by a 3 – 1 vote that the Big Brothers/Big Sisters and Connecticut Valley Home Care grants should be listed in a footnote as not being included in the grant requests. The EFC recessed for lunch at 12:35 p.m.

The EFC resumed its meeting at 1:32 p.m. After reviewing members' schedules for next week, the chair decided to cancel the meeting scheduled for May 27th. Meetings will take place as scheduled on May 30, June 2, 3, 6, and 9.

Mr. Chainis reported he is not yet sure of the date for the Commissioners' Proposed Budget public hearing. He then reviewed proposed FY 2009 revenues. Concerns and questions were raised about taxes, miscellaneous income, extradition reimbursement, sheriff's writ fees, state rental fees for the court facility, and the drug rebate.

The chair noted that the Transitional Housing Unit (THU) room and board as well as county jail income of \$70,000 are considered the same item. Questions were raised about the inmate commissary income that is now raised by charging inmates for phone calls.

Also discussed were transfers from the capital expenditures to revenue and from Accounting and Payroll to revenue.

The chair distributed information from Sullivan County Health Care (SCHC) Administrator Ted Purdy on several SCHC line items that EFC had questioned.

Rep. Donovan moved, Gottling seconded, a motion to adjourn at 2:45 p.m. by a 4-1 vote. Copies of the May 5, 9 and 12 minutes were distributed.

Rep. John Cloutier

Acting Clerk

Type of Meeting: Date / Time: Place: Sullivan County NH Sullivan County Full Delegation May 28, 2008 / 9:00 am Newport County Complex

Participants:

Representatives: Peter Franklin (Chair), Ray Gagnon (Vice-Chair), John Cloutier, Larry Converse, Arthur Jillette, Jay Phinizy, Beverly Rodeschin and Carla Skinder

Other Elected Officials and County Employees: Greg Chanis, Interim County Manager; Ted Purdy, Nursing Home Director, Ross Cunningham, Superintendent of Department of Corrections and Kevin Warwick, a consultant who is working with the Department of Corrections.

[The meeting was a continuation of the recessed meeting of May 19, 2008. The delegation clerk was not present, and these minutes have been prepared by listening to the tape recoding of the meeting (some of which was inaudible) and by talking with representatives who were present.

Budget Projections for Fiscal 2009;

Mr. Chanis and Mr. Purdy provided spreadsheets about county finances and about the nursing home budget to members of the delegation and answered questions about them. Mr. Purdy noted that earlier revenue projections had been based on a projected nursing home census that has turned out to be too high. Representative Skinder asked whether or not the McConnell unit, which provides secure care for patients with dementia, had a waiting list. This question led to a conversation between Mr. Purdy, Rep. Skinder, Rep. Rodeschin, and Rep. Franklin about the increasing demand for safe care, at various levels, for people with dementia and other cognitive impairments and how the county facility might adapt to meet those needs. Rep. Phinizy asked about how the facility is reaching out to attract patients who need rehabilitation funded by Medicare. Mr. Purdy said the county home has a new external care coordinator, and this is expected to have a positive impact on these types of referrals. Mr. Purdy said that about 30% of patients at the nursing home return to their homes. Rep Rodeschin asked a question about billing procedures, and Mr. Purdy said that the business office was continuing to work on improved collection of accounts receivable. Rep. Skinder asked why three different providers, including one private for profit business were offering hospice services provided at the county home, and Mr. Purdy said that the policy was to respect the choices of patients and families and that the nursing home did not have formally designated hospice beds. In closing, Mr. Purdy said there was a possibility that the nursing home expenses might come in under budget but that the savings probably would be offset by revenue shortfalls. At this point Rep. Cloutier had to leave for Concord.

Update of Proposed Corrections Project:

Mr. Cunningham, the Superintendent of the Corrections Department, reported that the County Commissioners had voted to go forward with planning for a 68-bed drug and alcohol treatment program, and asked for the continued support of the delegation. Rep. Rodeschin asked how she could ask the taxpayers to take on the added expense of this project, given the current financial problems of the county. Rep. Skinder pointed out that not repairing the present facility and addressing the overcrowding could lead to liability issues that would cost far more than the project. Mr. Cunningham also discussed possible ways to finance the project (bond issue or a long-term loan.) Mr. Warwick, a consultant who has been working with Mr. Cunningham, spoke in favor of the project.

The meeting was adjourned, and the next meeting will be at the call of the chair. Meanwhile, the EFC will continue to meet to consider the 2009 county budget.

Respectfully Submitted

Rep. Ellen Nielsen, Delegation Clerk

6/2/08 EFC Minutes

EFC Members Present: Representatives Ferland, Cloutier, Converse, Gottling, Donovan

Other Delegation Members Present: Representative Rodeschin

County Officials, Employees Present: Sullivan County Health Care (SCHC) Administrator Purdy, Acting County Administrator Chainis, Commissioner Jarvis

The chair, Representative Ferland, called the meeting to order at 11:35 a.m. EFC began by reviewing Nursing Department salaries and benefits with Mr. Purdy, particularly specific budget items relating to new staffing numbers. Rep. Donovan commented that he hadn't heard "a single complaint" about the quality of care provided at the SCHC within the last 6 months.

Mr. Purdy stated that his long-term goal is to hire a nursing staff totally our own which means hiring about 15 new people. In the meantime, he asked that \$256,283 be added to the agency nursing line items. This reflects the difference between the previous budget figures that kept the number of FTE's needed but budgeted for fewer while adding appropriations to the Contract Nursing line and the present budget figures. Rep. Converse moved, seconded by Gottling, to accept the new budget worksheet that Mr. Purdy distributed to the EFC on May 30, 2008. The motion was approved on a unanimous division vote.

The chair began to review Marketing Department budget line items under SCHC with Mr. Purdy. Rep. Cloutier interrupted to ask if a discussion to cut non-union employee salary increases from 3% to 1.5% was in order at this time. A discussion ensued. Mr. Purdy said limiting salaries might hamper his ability to attract high-quality staff. Discussion continued about the union contract currently being negotiated by County Attorney Hathaway, Mr. Purdy, and Human Resources **Director** Farrand.

In response to Rep. Gottling's question about union employees paying more for the same health insurance and other benefits, Mr. Chanis said there are higher costs for dealing with unionized employees. Mr. Purdy said he thought non-union employees would like to be recognized and rewarded for their hard work. Mr. Purdy reviewed that number of union and non-union employees in the departments of SCHC.

The chair recessed for lunch at 1:10 p.m. and resumed the meeting at 1:50 p.m. Rep. Franklin entered the meeting at 1:52 p.m.

The EFC began a review of the Department of Corrections (DOC) capital improvement budget, specifically lighting and security upgrades at the House of Correction. Mr. Chanis stated that Superintendent Ross Cunningham believes the lighting and security upgrades on pages 43-44 of the Commissioners' Budget Notes are the minimum capital improvements that should be approved for FY 2009. The EFC discussed the DOC's staff budget and the listed positions.

Rep. Converse moved, seconded by Gottling, to eliminate the four additional Community Corrections officer positions for the Transitional Housing Unit (THU). These positions would provide 24-hour coverage at the THU. Discussion on the motion followed. Mr. Chanis noted that Mr. Cunningham was not present and intended to come to the next EFC meeting to discuss the staffing increase request. Rep. Gottling withdrew her second, but Rep. Converse refused to withdraw his motion. Rep. Cloutier moved, seconded by Gottling to table Rep. Converse's motion. The motion was approved 4-1.

The chair adjourned the meeting at 2:35 p.m.

Rep. John Cloutier

Acting Clerk

DRAFT 6 -3 - 08 EFC Minutes

EFC Members Present: Representatives Ferland, Cloutier, Converse, Gottling, and Donovan

Other Representatives present: Franklin, Rodeschin

County Employees Present: DOC Superintendent Cunningham, LADC John Gramuglia, and Acting Administrator Chanis

The chair, Rep. Ferland, called the meeting to order at 10:05 a.m. Mr. Cunningham reviewed the DOC staffing plan and his goals since he became Superintendent in August 2007. He distributed and discussed a staffing plan for the Transitional Housing Unit (THU). He stated the THU is "grossly understaffed" and that his staffing plan should take care of staffing needs for the next 10 years. Mr. Cunningham read a June 3, 2008 memo to Commissioner Jarvis stating there has been only an 18,34% recidivism rate in THU inmates since May 2006. Increasing the THU staff coverage is important to him as a "corrections professional."

In response to Rep. Donovan's question, Mr. Cunningham passed out a 6-3-08 weekly DOC population data sheet. He then distributed a list of the DOC costs added to the FY 2009 budget and reviewed the number and type of positions with the EFC. Rep. Gottling temporarily left the meeting at 10:56 a.m.

Mr. Cunningham DOC employees are now the lowest paid county correctional officers in the state and said they deserve at least a 3% salary increase rather than a 1.5% increase as discussed in the EFC. He added that inflation has increased by 3.5%. He distributed a sheet comparing the salaried positions of Sullivan County DOC with those in four other counties. He said he is the only one who can speak for DOC's non-union employees and said there should be a system that gives out merit raises to deserving employees. He said the Booking position of 7/1/08 and part time positions as of 7/1/08 could be pushed until 1/1/09. Mr. Cunningham said his proposal will give more than ten years of life to the DOC and strongly defended his position.

The chair stated her support for the DOC proposal for staff upgrades and declared a recess at 11:30 a.m.

The meeting resumed at 11:36 a.m. with Plainfield's David Grobe who reviewed the Conservation District Board budget. Mr. Grobe, who is chair of the District's board of Supervisors, reported that the Board voted at their 5/29/08 meeting to request full county funding of the Conservation District employee position beyond the 12/31/08 retirement date of the current full-time employee. This employee plans to continue working part-time beyond 12/31/08. He admitted that he has not yet talked to the Commissioners about the Board's request.

Mr. Chanis said he supports the District's request in principle but a fully developed work plan should be submitted before full county funding is approved.

Mr. Grobe said his board feels the complete vision of what the Conservation District can do can't be accomplished with a part-time position.

Long-term goals include GIS mapping which the chair said is not in the FY 09 budget.

The meeting at 12:20 p.m. and resumed at 1:15 p.m.

Rep. Ferland moved, seconded by Cloutier, a motion not to increase the Conservation District's employee salary line so as to reflect a full-time position after 12/31/08. The motion was approved on a 3 – 1 division vote.

Rep. Converse moved, seconded by Cloutier, a motion to reduce non-union salary increases as proposed by the Commissioners from 3% to 1.5%. Rep. Gottling re-entered the meeting as discussion ensued over whether the

motion could be applied to union employees.

County Attorney Hathaway entered the meeting at 1:40 p.m. He answered questions about the legal authority of the delegation to set the salaries of union employees. Mr. Hathaway stated that his understanding of current NH statutes and case law indicates that only the commissioners have the right to set the salary level of unionized employees, not the delegation. Mr. Hathaway said there are about 135 union employees as of today, mostly in Sullivan County Health Care. Mr. Chanis said, as of today, there are approximately 100 non-union employees and the union employees are represented by AFSCME (Association of Federal, State, County, and Municipal Employees.)

The vote on reducing non-union salaries to 1.5% failed on a 2 -3 division

vote.

Rep. Gottling moved, seconded by Donovan, a motion to set all non-union employee raises at 2%. A discussion took place over how much union members must pay each month for their membership. The cost ranged from \$30.80 to \$15.40 per month depending on the number of hours the employee worked each week. Rep. Gottling's motion passed on a 4 1 division vote.

The chair announced that the EFC would not meet on 6/6/08 but would plan to meet and vote on all individual department budgets on 6/9/08 at 10:00

a.m.

Rep. Cloutier moved, seconded by Ferland, to adjourn at 2:24 p.m.

Representative John Cloutier Acting Clerk

6/16/08 EFC Minutes

EFC Members Present: Representatives Ferland, Cloutier, Converse, Gottling

Other delegation members present: Franklin, Rodeschin

Other officials and employees present: Acting Administrator Chainis, DOC Superintendent Cunningham

Municipal official present: Assistant Claremont Mayor Austin

The chair, Rep. Ferland, called the meeting to order at 10:01 a.m. EFC began with consideration of a proposed \$1000 transfer request from the County Attorney's office. This transfer wan not approved at the 6/9/08 meeting. Questions about the proposed transfers ensued with Mr. Chainis. Mr. Chainis indicated that the Commissioners would be meeting tomorrow to consider other transfers within the County Attorney's office. Consequently Rep. Converse made a motion, seconded by Rep. Gottling, to table the proposed transfer until the EFC's next meeting. The motion was approved on a 3 – 1 division vote with Rep. Ferland voting no. Rep. Ferland was strongly opposed to the motion.

Discussion then began on a previously approved DOC capital proposal of \$209,630 that had been defeated on a 2 – 2 vote at the 6/9/08 meeting. Questions were asked of Mr. Cunningham who gave us a population update on the facility. Discussion then continued between Rep. Gottling, Franklin and Ferland about the appropriation.

Rep. Ferland moved, seconded by Cloutier, a motion to approve the \$209,630 total DOC capital proposal. The motion was defeated on a 2-2 tie vote. The chair announced at 10;29 A.M. that she had received notification that Rep. Donovan would definitely not be attending today's meeting. County Attorney Hathaway entered the meeting at 10:31 a.m.

Mr. Cunningham then reviewed a current handout of DOC staffing with the EFC. Commissioner Jarvis entered the meeting at 10:36 a.m. The Superintendent went over employee grades including the pay rate schedules. Rep. Franklin left the meeting at 11:00 a.m. Mr. Converse moved, seconded by Gottling, to cut the dour new proposed DOC officers for the Transitional Housing Unit (THU). Mr. Hathaway and Mr. Cunningham spoke against the motion as did Rep. Rodeschin and Rep. Ferland. After further discussion and clarification, Reps. Converse and Gottling withdrew their motions. Rep. Converse moved, seconded by Gottling, to delay hiring of three new positions at the DOC until 1/1/09. Rep. Gottling made a motion to amend the motion to include the part-time secretary's position in the delay. Rep. Converse seconded the friendly amendment. The amendment was approved on a 3 – 1 division vote, Ferland voting no. The amended motion then passed on a 3 – 1 division vote, Ferland voting no.

Further review of the proposed items in the DOC budget continued. Rep. Converse moved, Cloutier seconded, to approve the proposed DOC capital

budget of \$209,630. The motion was approved on a 3-1 roll call vote. Reps. Cloutier, Converse and Ferland voted yes. Rep. Gottling voted no.

Attorney Hathaway talked to the EFC about a staff cut of a new part-time position In his office's proposed budget. The cut had been approved at the 6/9/08 EFC meeting. Mr. Hathaway said the cut would result in his office not being able to scan documents.

Rep. Cloutier offered a motion to allow the hiring of a part-time secretary for \$4,189 that would start in the middle of FY 2009. Mr. Hathaway said he needs the position for the start of FY 2009.

The chair announced the EFC will meet Friday, June 20 at 10:00 a.m. to continue review of the FY 2009 budget. Rep. Cloutier, the EFC vice chair announced the EFC will hold a special meeting tomorrow at 5:30 p.m. to consider a request from the Treasurer to borrow money. The chair will be absent from this meeting. The chair then recessed one hour for lunch at 12:45 p.m.

John Cloutier, Acting Clerk

The meeting was reconvened at 1:58 p.m. Consideration began on Woodhull Complex Capital budget. Rep. Converse moved, seconded by Ferland, to approve the \$12,000 expenditure. A roll call carried 3 – 0.

Rep. Ferland distributed a new packet from Sup't Cunningham. This sheet contained new figures for Corrections personnel to be hired in Jan. 09 rather than July 08. A discussion continued on how to list FTE's and starting date of Jan. 1, 09. Changes in the rest of the department were examined. The overall department budget was \$68,591 less than presented in the Commissioners' budget. Rep. Converse moved, seconded by Ferland, to accept the DOC budget. A roll call vote carried 2-1.

The County Attorney's office budget was reconsidered. New figures for the part-time secretary and with the part-time secretary restored were presented. Rep. Converse moved, seconded by Gottling, to keep the final figure at \$457,040. The motion carried on a 2-1 vote, Ferland voting no.

The Human Services budget was next. The state figures are still not final. However, some tentative figures are ready. There is a MOU to be finalized. This will make a difference of \$343,595 if confirmed. The state reimbursement rate would be set for two years although an inflation percentage will be applied. After 2010, new figures will have to be made as the cap expires. Rep. Converse moved, seconded by Gottling, to accept a figure of \$4,596,932 for the Human Services budget. It was understood that this figure is tentative. A roll call vote passed 2-1. Rep. Ferland voted no.

The Woodhull County Complex budget was presented. Rep. Ferland moved, seconded by Converse, to accept this part of the budget. A roll call vote carried 3-0.

Human Resources was next. Rep. Converse questioned the revenue/appropriation figures and transfers from the nursing home to human resources. Rep. Converse asked about the union contract. County Administrator Chainis said the contract is under consideration at this moment and he thinks it may be signed.

Rep. Converse moved to table consideration of this part of the budget because of the cost of printing that should be part of this budget. There was no second. Discussion continued about legal issues and arbitration expenses. Mr. Chainis tried to provide information about the source of funds for paying arbitration expenses. He could not contact the correct person. Discussion continued about the Employee Appreciation line. Rep. Ferland moved, seconded by Converse, to cut this line to \$8,000. Rep. Converse clarified that the money in this line would be distributed fairly among all employees. The commissioners previously approved expenditures and will continue to monitor the program. The motion was approved unanimously.

Facilities expenditure of \$8,000 was presented. Rep. Ferland moved to accept this figure but there was no second. Chainis explained further the details

of this item. It includes more than upkeep of roads.

Rep. Gottling made a motion to adjourn, seconded by Ferland. The meeting was adjourned at 3: 34 p.m.

Rep. Gottling, Acting Clerk



6/17/08 EFC Minutes

Members present: Reps. Cloutier, Vice Chair, Converse, Donovan, Gottling

Other Reps. present: Gagnon, Franklin

Other County officials: Treasurer Cynthia Sweeney, Sheriff Prozzo, Superintendent Cunningham, and Administrator Chanis

Members of the public: Aaron Aldridge, reporter Eagle Times, Jeff Goff, Claremont City Council

The Treasurer made a request for approval of a \$5,000,000 line of credit. This amount was a million dollars more than had been presented in her notification letter to the members of the EFC. Treasurer Sweeney said she had discussed the matter with the Commissioners and gave EFC members the paper signed by the commissioners for the larger amount. There is \$1,025,000 left on the line of credit authorized in January. There is a payroll due next week that must be paid. The commissioners want to stop our present line of credit at the end of this fiscal year and begin a new one.

Rep. Donovan asked what was the advantage of keeping the fiscal years separate. He also wanted a list of when and how much we borrowed this year. Rep. Franklin had a different borrowing figure of \$2,975,000. He asked if this was sufficient to carry the county to the end of the fiscal year. He also asked if our Human Services bill from the state has been paid for June. The treasurer thought so. She also said the county had received a \$300,000 check from the nursing home today. Mr. Chainis thought the check was our monthly Medicaid payment from the state. Rep. Franklin asked what more we could expect for this fiscal year.

Rep. Gagnon commented that he thought the EFC and/or the delegation did not want us to commingle FY funds. However, he felt we needed to examine interest rates from wider sources.

Treasurer Sweeney said if the interest is the same, we could get a new line of credit. If it is more, we should keep the old one open. She felt there was an urgency to get funds and too much time might be taken getting more input.

Rep. Cloutier said the human Services bill of \$300,000 plus a payroll of \$350,000 means we need a total of \$650,000 for the end of the fiscal year. Rep. Gottling asked when the lump sum payments to union employees are due and how much it is. Mr. Chainis believed the payment was around \$107,000.

Treasurer Sweeney said she had called 2 banks about the new line of credit, Lake Sunapee Savings and Citizens Bank. She thought this suggestion

came from a previous EFC meeting but could not remember who made the suggestion. The treasurer and Rep. Franklin again went over what would be needed and how much money was available without a new line of credit. There was a 5-minute recess called. Rep. Nielsen entered the meeting.

After further discussion, there was agreement that there was enough money to carry the county through the end of the fiscal year.

Rep. Gagnon stated that he had heard at a meeting of the Claremont City Council that no bids went out for the line of credit and asked if this was true. Treasurer Sweeney replied, "No." Rep. Gottling said the commissioners wanted a new line of credit dated July 1. Treasurer Sweeney said it takes time to process and she needs at least a week, which is why she is asking now. Rep. Gagnon repeated that he is disturbed that we do not have a formal process. This opens us to charges of preferential treatment. Treasurer Sweeney said "They told me to pick up phone and just ask banks." When asked who told her this, she replied, "Gil De Rubio and Peter Lovely."

Rep. Cloutier inquired if there is a state law requiring us to ask for bids. Rep. Franklin said that there is. He also said that whether past practice was correct or incorrect it is now time to develop a procedure for the new line of credit. The EFC should request a formal bidding process. Rep. Nielsen asked if this meant any bank in the state should be contacted. Rep. Franklin said we are required to advertise in our locality with the purpose of getting the best rate possible. Rep. Donovan said 30 days for a reply seems a long time. Two or three weeks should be sufficient.

He [Donovan] made a motion to "Instruct the County Treasurer to initiate a formal bid process for the next borrowing, the one in the present proposal." Rep. Gottling suggested we include a further motion to mention that we might want to extend the present line of credit. Rep. Franklin felt we would not need such an extension. Rep. Nielsen proposed that we set a deadline and decide. Rep. Gagnon thinks we need to do a bidding process and that the Treasurer needs to do her job. Rep. Cloutier said it is important that the process is transparent. Roll call vote was taken and Coutier, Converse, Donovan, and Gottling voted yes.

The next discussion centered on the amount to be put on the line of credit. Rep. Franklin suggested \$3,000,000.

Rep. Donovan then made a motion to "authorize the County Treasurer to borrow by bid up to \$3,000,000 with the due date of December 31, 2008 with the possibility of increasing the amount of the line of credit when necessary." The motion was seconded by Rep. Gottling. Rep. Franklin affirmed that a bank would not allow a county to go beyond their capability

to pay. Cloutier, Converse, Donovar by a roll call vote.	n, and Gottling	voted yes on this motion
The meeting adjourned at 6:30 p.m.		
		Rep. Suzanne H. Gottling Acting Clerk
	Date signed:	
	by a roll call vote.	The meeting adjourned at 6:30 p.m.

Sullivan County NH

Type of meeting: Public Hearing of the FY09 County Commissioners

Proposed Budget Meeting

Date/Time:

Tuesday, June 17, 2008, 7 PM

Place:

Newport - Sugar River Valley Regional Technical

Center, North Main Street Newport NH, Lou

Thompson Room

Attendees

State-County Delegates: Peter Franklin - Chair, Ray Gagnon - Vice Chair,

Ellen Nielsen -Clerk, John Cloutier - E.F.C. Vice Chair, Larry Converse - E.F.C., Tom Donovan -E.F.C., Suzanne Gottling - E.F.C., Jay Phinizy and

Beverly Rodeschin.

Commissioners:

Jeffrey Barrette - Chair, Bennie Nelson - Vice Chair and

Ethel Jarvis - Clerk.

County Department Heads & Other County Employees:

Greg Chanis - Interim County Administrator, Ted Purdy - S.C.H.C. Administrator, County High Sheriff Michael Prozzo, Marc Hathaway -County Attorney, Ross Cunningham - D.O.C. Superintendent, Dodi

Violette - Account Clerk I, and Sharon Johnson-Callum -

Commissioners' Office Administrative Assistant.

Public:

Deb Mozden - Turning Points Network Executive Director, Barbara Brill - Community Alliance of Human Services Executive Director, Peter Martin - Exquisite Productions Director/Citizen, Mr. and Mrs. Daniel Gokey - Newport Citizens/DOC Officer, Jeffrey Goff - Claremont City Council Member, Andrew Austin -Claremont City Council Assistant Mayor, Aaron Aldridge - Eagle Times Staff Reporter, Brenda Burns - Executive Director of Sullivan County Nutrition, Mary Schissel - Conn. Valley Home Care, and Spec Bowers - Sunapee Citizen/State Representative Candidate.

7:05 The Delegation Chair, Peter Franklin, brought the meeting to order and turned the meeting over to the Commissioners.

FY09 County Commissioners Proposed Budget Presentation

The Board members introduced themselves. Commissioner Barrette noted the County is in the midst of completing the FY09 budget. He indicated there have been several changes within the county:

- 1. they severed ties with Genesis [Heath Care Inc.] managing the Sullivan Health Care facility [nursing home], and, in turn, hired their own Administrator, Ted Purdy, who is doing a fantastic job.
- 2. they brought on a new DOC Superintendent, Ross Cunningham, who is spearheading a fundamental change of how the County looks at corrections, placing the County in the forefront on dealing with inmates and integration back into society through a new capital project.
- 3. they changed management, moving the Facilities Manager, Greg Chanis, to an Interim County Manager position, which he hopes to be permanent. Mr. Chanis is doing a fantastic job with the County's financial crisis. To the best of my abilities, what the Board has achieved in cost savings over the last couple months has been miraculous, to end the FY in a much better situation. He noted the face of County today looks vastly different and is proud to say they've built a foundation to have true financial recovery.

Mr. Barrette noted they requested County Department Heads to figure out their needs, not wants or goals, in order to do the job right; took a zero dollar approach and built on it; and, tried to be as accurate as possible.

The following PowerPoint slides [Appendix A.1-11] were reviewed and discussed by the Board members:

Sli	de No. 1 Services Provided by Sullivan County
	Presented by Bennie Nelson
	Sullivan County Health Care - provides medical safety net, Medicaid will
	be needed by many for long term care
	Department of Corrections
	Sheriff's Office
	County Attorney's Office
	Registry of Deeds
	Cooperative Extension
	Human Services
	Conservation District
	County Administration
	de No. 2 Goals of the Commissioners
511	de No. 2 Goals of the Commissioners Presented by <i>Jeffrey Barrette</i>
	Reduce County Deficit – have budgeted for finance manager and in
_	progress of ferreting out what that entails,
ш	Continue to provide high quality service in all areas of county
\Box	government,
u	Continue to invest in County infrastructure,

	Increase use of County's natural resources for public benefit, Operate a correction system that focuses on security and the inmate's successful transition back into the community – this will take corrections to new level. Currently, they see a 10% increase in inmates the County handles – recidivism is high.
Sli	de No.3 Significant Budgetary Factors
	3% increase in wages - The Union, which makes up ½ the County workforce has been operating without a contract and, yesterday, the
	Union approved the new contract. The Commissioners ratified it today.
П	With this ratification, there will be budgetary implications. 15% increase in retirement expenses – This is direct cost from the State.
	13.25% increase in human services expense
	8.6% decrease in heath insurance costs – One of their goals is to stabilize health costs. Accordingly, they switched from self-funded to fully funded,
	which allowed them to see a 8.6 decrease, vs. a 25% increase. He noted
	the potential liability has reduced with this, also. Funding for finance position.
	Anticipated 50% increase in fuel costs. Reduction of budgeted revenue from Sullivan County Health Care.
	Reduction of Budgeted revenue from Samvan Goding House, Care
Sli	de No. 4 Proposed Expenses
	Presented by Jeffrey Barrette
	Presented by Jeffrey Barrette Fund 10 General Fund \$11,717,164 Fund 22 Deeds \$380,221 Fund 24 Grants \$517,725
	Presented by Jeffrey Barrette Fund 10 General Fund \$11,717,164 Fund 22 Deeds \$380,221 Fund 24 Grants \$517,725 Fund 40 Sullivan County Health Care \$14,683,497 Fund 41 Trust Fund \$13,550
	Presented by Jeffrey Barrette Fund 10 General Fund \$11,717,164 Fund 22 Deeds \$380,221 Fund 24 Grants \$517,725 Fund 40 Sullivan County Health Care \$14,683,497
	Presented by Jeffrey Barrette Fund 10 General Fund \$11,717,164 Fund 22 Deeds \$380,221 Fund 24 Grants \$517,725 Fund 40 Sullivan County Health Care \$14,683,497 Fund 41 Trust Fund \$13,550 Total \$27,312,157
	Presented by Jeffrey Barrette Fund 10 General Fund \$11,717,164 Fund 22 Deeds \$380,221 Fund 24 Grants \$517,725 Fund 40 Sullivan County Health Care \$14,683,497 Fund 41 Trust Fund \$13,550 Total \$27,312,157 de No. 5 Proposed Sources of Revenue
	Presented by Jeffrey Barrette Fund 10 General Fund \$11,717,164 Fund 22 Deeds \$380,221 Fund 24 Grants \$517,725 Fund 40 Sullivan County Health Care \$14,683,497 Fund 41 Trust Fund \$13,550 Total \$27,312,157 de No. 5 Proposed Sources of Revenue Presented by Jeffrey Barrette Fund 10 General Funds \$1,169,423
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	Presented by Jeffrey Barrette Fund 10 General Fund \$11,717,164 Fund 22 Deeds \$380,221 Fund 24 Grants \$517,725 Fund 40 Sullivan County Health Care \$14,683,497 Fund 41 Trust Fund \$13,550 Total \$27,312,157 de No. 5 Proposed Sources of Revenue Presented by Jeffrey Barrette Fund 10 General Funds \$1,169,423 Fund 22 Registry of Deeds \$425,000 Fund 24 Grants \$524,361 Fund 40 Sullivan County Health Care \$11,518,379
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Sli	ide No. 6 To be Raised From Taxes \$13,671,124 Presented by Jeffrey Barrette
	Human Services \$4,941,124 – 36%: State regulated with no County control.
	DOC \$3,222,276 – 24%: 10% increase, falls in line with inmates processed, trend continues and gains; the facility has undergone several staffing analysis over last two years, which have found the County is grossly understaffed - accordingly, they've increased staff to accommodate the increase of inmates.
	Other Services \$2,342,606 – 17%: includes Sheriff's Office, Cooperative Extension, Registry of Deeds, etc.
	SCHC \$2,330,118 – 17%: is the difference between revenues and expenses; due to State's request, the County placed a contra revenue line of \$835,000 to balance the budget over a three year time period – a direct response related to deficit reduction.
	Deficit Reduction \$835,000 - 6% Total \$13,671,127 - 100%
Mr of	ide No. 7 Sullivan County Health Care Presented by Jeffrey Barrette Barrette noted the data on this slide represented a historical comparison. actual revenues, expenses and surplus, or deficit, for years 1997 through a proposed 2009 [See Appendix A.8 for details].
	ide No. 8 Fiscal Year 2009 Grant Programs Presented by Jeffrey Barrette Enforcing Underage Drinking \$26,719, JAG Grant (Justice Assistance Grant) \$17,160, Outside Detail \$94,791,
	Highway Safety \$4,241, OHRV (Off Highway Recreational Vehicle) \$4,535, Drug Task Force \$68,612, Strengthening Families \$23,940, Parents As Teachers \$14,060,
	Coordinator,
	Public Health Network \$72,697: we have a new PHN Coordinator. PHNC was called Avian Flu, then Pandemic Preparedness – a regional partnership, with the State, to help in times of emergencies, and CAC Sullivan County (Child Advocacy Grant) \$8,057.

Slide No. 9 Fiscal Trends Presented by Jeffrey Barrette

Commissioner Barrette noted these graphs reflected data on the previous page; the FY09 column is the Commissioners' budget while all other columns reflect dollar amounts from the approved Convention budgets [See Appendix A.10]. Mr. Barrette noted the next step is for Executive Finance Committee (EFC) to review the FY09 budget, then on to the County Convention [full State-County Delegation]. He noted heath care and dental costs decreased based on their efforts to switch funding sources, DOC costs increased by 10%, Health and Human services increased by approximately \$600,000 and amount to be raised by taxes \$3.3 million.

Cor	nmissioner Jarvis added a few additional comments, as follows:
	The County pays out approximately \$200,000 in grants to various
	organizations, of which some are present - these are the most marvelous
	people we work with and wanted to say how much she appreciates them.
	The County has 250 employees, non-union and union - they serve to the
	best of their capacity, and she is knows 50% of them and they serve the
	county well.
	Due to County financial issues, the Board abandoned the assisted care
	living project [The Meadows].

Commissioner Nelson seconded all Commissioner Jarvis said. He noted they maintained a fairly level budget, the County is in the health care business and it's come to bite them this time; some say do away with the nursing home and privatize, but it still does not go away, the costs will be there; we are one of the larger businesses in the County offering good paying jobs.

Public Participation

Commissioner Barrette opened the meeting to public comments.

Barbara Brill, Executive Director of Community Alliance of Human Services (CAHS)

Ms. Brill indicated CAHS is one of the County grant applicants. They requested \$38,000 for public transportation, which will allow them to access an additional \$38,000 from the Federal government - they, too, are experiencing higher fuel costs and operating costs and realize the County has a lot of significant issues, which is why they asked for level funding and not more. Funding is crucial as they provided 35,000 rides last year and anticipate an increase in rider-ship as a result of the rise of fuel costs. Ms. Brill also noted the Youth Diversion program requested \$31,000, an increase of \$500 over last year - the increase would allow them to bring in additional family resources; they've noticed a 3% recidivism in their programs — showing clearly their programs are making a difference; their programs were offered to 70 participants last year, with 55 participates from Sullivan

County. Ms. Brill indicated the State notes this as a \$3,000 per person savings.

Mr. Daniel Gokey - Sullivan County DOC/Newport Citizen

Mr. Gokey noted he is a county taxpayer and an employer of the DOC and heard rumors bargaining and non-bargaining employees were going to be treated the same, in regards to all benefits, with the bargaining negotiated a contract that included a lower insurance plan and higher co-pays, yet nonunion would not receive the 3% salary increase the union is receiving, but less. He asked if this was true. Commissioner Barrette indicated the Board could only speak to their budget, they proposed a change in health care from self to fully funded, the Board budgeted 3% raises for both union and bargaining. He noted, once the budget leaves their hands, it's up to the EFC and Delegation. Rep. Rodeschin indicated she apposed the EFC recommendation of a 3% raises for union and 2% to non-union, all staff are good employees and should be treated the same. Mr. Gokey pointed out one big benefit to recruit good employees is the County's over all benefits package. Commissioner Barrette indicated, you are correct in difference in health plans, and the plans were: MBTV5 and MBTV10; an analysis overall illustrated savings for both employees and employer, which will take effect for the union employees as the contract has now been ratified.

Sheriff Michael Prozzo

Sheriff Prozzo wanted it known the six grants listed in the Grant Fund 24 will not cost the tax payers of Sullivan County anything; they are not funded by the tax payers.

Andrew Austin, Claremont NH, Assistant Mayor

Mr. Austin has received a lot of calls about the budget due to an increase in taxes – citizens are having trouble paying taxes, buying fuel, getting their cars to work and paying for groceries; he appreciates the Commissioners work, recently attended a financial meeting, can see where they can justify the things they see are needed, but they need to appreciate where he's coming from, too. Times are tough for a lot of people and he wished the County could spread out the cost a bit, instead of one big chunk. Commissioner Barrette noted the deficit is currently being spread; they are now producing more accurate revenue and expense projections; the "elephant in the room" is the nursing home and hats off to Ted Purdy's work on the budget; 1/3 of the deficit the County is tackling and will be part of the FY09 raised by taxes ... "I believe if we don't do what we are doing, we'll pay for it more in two to three years"; he added, in last three years the County budgeted higher for revenues and can't do that anymore.

Jeffrey Goff, Claremont NH City Council [Ward III]

Mr. Goff noted he also represents Claremont constituents and families who have to choose between fuel or food. He's heard a lot of projections, forecasts and census, tonight, and wants them to talk about the political realities and the past deficit. He questioned how they could propose a 32%

tax increase on what they are having a hard time paying today and have the audacity to give them a raise as an elected position. He noted the County Treasurer function has not been performing her duties for the last two years: loan requests are not put out to bid and they need to maximum the function at the county level; lack of attention by the Treasurer has cost the County much. He asked who would have the political courage when it comes to county home? He sees no reality in budget and disagrees with continuing to fund it on the backs of the taxpayer. He asked where their strategic plan was to address the County deficit? "It takes tough decisions, and courage." He added, as far as additional borrowing, he's a full proponent of DOC upgrades. Commissioner Barrette countered that it takes a lot more courage to come before taxpayers, today, to advise them about the urgent need to fund items such as the DOC, which is not secure; the nursing home will cost something, the question is whether or not there is a value, there is a cost associated with caring for elderly; we gave this budget an honest effort; we've stabilized management, staffing is based on census, placed skilled care to get increase "bang for the buck", looking for ways to accommodate a population they have not been able to serve and are working on strategic planning to do that. Commissioner Nelson pointed out the Board has no control over [elected official] compensation, which is under the control of the Delegation; also, they have no say in the tasks of the County Treasurer; with the Nursing Home, he's received feedback from citizens who have expressed concern to have the nursing home there as safety net - especially for those that outlive their assets - it costs, but money is well spent.

Brenda Burns, Executive Director of Sullivan County Nutrition Services/tax payer

Ms. Burns questioned if the State's initiative to keep people out of the nursing home was affecting the budget and if they were working with state on this issue? She noted NH State HHS Commission, Toumpas, has been very successful with this initiative and has indicated they have brought 350,000 people out of nursing homes and back to their own home - so we need to look at this and prepare. Commissioner Barrette concurred there is national movement to keep people in their homes longer; short term, it hurts the census and when they do arrive they are in greater need of services which translates to increased costs. Commissioner Nelson concurred, short term, it decreases nursing home census, but the need for a nursing home is not going away. Representative Donovan pointed out the State, periodically, offers transitional grants to move from nursing home to community, he worked in this field, there is new grant money with the intent to move a few hundred people over time into the community, it's started, but you will always have the need for nursing homes as they are more frail and will need nursing care not found in their home; through HCBC we do it for less cost, we will continue to do that and expand the program. Rep. Rodeschin noted the Governor asked for another reduction on the 31 million and 14 of it is Health and Human Services (HHS), cuts will be nursing home and services for children. Commissioner Barrette noted they brought up a good point the State is not spending, so cost is shifted to the County. Rep. Rodeschin

pointed out Commissioner Toumpas will be visiting the County and those are hard questions they need to ask him. Representative Franklin indicated he did not share the "doom and gloom" of Rodeschin; there were, indeed, cuts, but at the conclusion, the Governor and Hodes were asked, "are any of the cuts proposed today having direct or indirect cost to County and the answer was no"; the cuts affect the hospitals but not the nursing homes. Commissioner Nelson indicated they are aware as the State cuts, the costs flows down to the County and they realize it's cheaper to stay at home, so the County has taken a proactive approach at the nursing home to do more rehab - they come in, do their rehab and go home. He noted, he was able to speak with a lady at their recent Pancake Breakfast, who was unable to walk when she was admitted to rehab and she attend the pancake breakfast to visit with the rehab works, walking in by herself.

Peter Martin, Exquisite Productions / Newport Citizen

Mr. Martin complimented the Sheriff, Attorney and Registrar of Deed, pointing them out as bringing in revenues into the county; and, noted the problem is the nursing home. He feels the Delegation should be more actively working at the State level to foresee these cuts, changes, and have ready a transition plan for the change; State legislatures should make sure there are revenues when placing mandates; there must be a limit of what government can support and people cannot be affected by taxes. He asked where the projection was that indicated how far down the road they had to go before seeing the bed census increase, to put the facility back in the black. Commissioner Barrette does not feel the County will ever be in the black, it does not need to be this bad. He noted, under the previous management, they went through five to seven Sullivan County Health Care Administrators, they were operating without a union contract which he feels affected the quality of care; but, they are working to stabilize those negative forces in play - Mr. Purdy has been with them for eight months and has been a common force in the facility, doing a wonderful job to stabilize the facility environment; they now have a Union contract; and, the census is certainly looked at each day and in the forefront of their activities. Mr. Martin questioned if reducing the size of the nursing home could alleviate the problem? He also asked if the County Attorney or Sheriff could keep offenders out of incarceration, but still solve the problem by getting them. back into society? Commissioner Barrette noted they have budgeted for a residential grade treatment facility, throwing out the previous proposal of a new jail at 32million. He noted Mr. Hathaway could speak more on this subject. Representative Donovan noted many [Delegates] at the table were against nursing home privatization and said no; it was the republican leadership of county that voted in Genesis and pushed the budget and added money for contracts; when the Delegates voted to terminate the contract at the [FY08] Convention, the leadership put in money to continue the contract - this was not the Democrats. Representative Gottling indicated she came on board with the EFC with a fresh face, a year and 1/2 back their attempts to get solid information was difficult - not receiving information until months later. She noted she looked at one Sullivan County Health Care (SCHC)

Administrator report in a previous County Annual report that indicated the County did not use one (1) penny of tax payer money, yet there shows a transfer to the SCHC facility of \$800,000; they received invoices from the Administrator that varied, they discovered months later two Administrators were being paid at the same time; information that should have been given to the Commissioners and Delegation did not arrive in a timely and forthright manner. She noted the Delegation decreased the anticipated revenue projections on Medicare beds significantly from what Genesis promised, but feels embarrassed they did not lower it enough. She complimented the current Board of Commissioners, who, she feels, has looked hard at the past and understands each tax payer; she feels this is not something that just happened, but was brewing two to four years ago and their attempts to get a hold of it were difficult; but, they are making sure what they do now is the right thing. Representative Gagnon noted there is a national recession, caused by a war in Iraq; in mid stream ½ way through the year they were adjusting projections; he feels they are a minute part of the County and the County tends to be the end of the line; what happens nationally, thrusts on to State then on to county. He indicated the State will take over funding all youth sources, the County would continue managing the nursing home, but that it turns out to not be an even swap - it was an honest attempt to come up with a solution. Rep. Phinizy briefly discussed the political history of democrats vs. republicans with county issues; he briefly discussed what they should look at when viewing revenue budget projections pertaining to Medicaid and Medicare beds and how he feels Genesis overstated their revenue projections; he noted they have, now, more realistic projections as part of the budget; he noted the state classically under funds or underpays their share, so the County picks up the difference - with the nursing home you must maintain a certain level of infrastructure and Cheshire County is experiencing the same problems. He believes the [Sullivan County] Commissioners have done a responsible thing and thanked them for presenting the budget they did. Representative Cloutier noted the Commissioners and Treasurer did not ask for a salary increase and the salary increase for the Commissioners was the responsibility of the EFC and full Delegation consensus; they felt, for all the work the Commissioners do, the \$100 dollar increase per year was warranted - they have a tough job and have to deal with mandates. He noted the Delegation would be asking for the Commissioners to work hard for the pay increase; and, as far as State leadership, they are taking aggressive steps to deal with the budget.

Representative Franklin noted the purpose of tonight's hearing is for the Board to present the [FY09] budget to the Delegation and public, the Delegation has heard all comments, and they will review it carefully and work hard on it. He noted, the Commissioners are executors of the County running the county; and, the Delegation is responsible for 1) making appropriations – deciding how the County should spend the money and 2) raising revenues for County needs through taxes. He expressed his opinion on a couple of matters he felt were great importance in next couple years: 1) important the County has a Finance Director – the position is budgeted and

they should hire someone who is competent and able as quickly as possible, and, 2) look at the deficit reduction plan – he feels the actual deficit that should be considered is the fund balance at \$3.2 million vs. the amount the Commissioners feel is a deficit of \$2 ½ million. He noted the County runs on a fiscal year, July 1st through June 30th, and at the end of FY08 they will have an additional deficit to add to the \$3.2. He feels, that additional amount will be approximately ½ million. He noted as long as the County has a deficit, it will continue to finance it and will pay well over \$100,000 in interest; in his view \$835,000 is insufficient to pay down the deficit in the first year and it will take five years or more – with one assumption, that with FY09, thereafter, there are no further deficits. He warned the County can't be paying off deficits and running up new deficits.

Marc Hathaway, County Attorney

Mr. Hathaway spoke to address concerns raised by Mr. Martin with respect to the county correctional facility and whether the County can do more to deal with drug and alcohol problems in a cost effective way. Mr. Hathaway noted all in law enforcement, corrections and the judicial system are concerned for public safety; plus, for the well being and safety of those within the system who are our neighbors, a father, a mother, a son or daughter - "it's our responsibility to keep them safe, access them in system and find the tools to make them better in the community"; this philosophy underlies the sentencing correction center: treatment, rehab, programming, punishment and protection. The current Sullivan County Department Of Corrections (SCDOC) infrastructure is designed to house 44 individuals and it's currently housing 100. The County is currently saving money through a pretrial service, with 36 current being supervised in the community through constant supervision and urine analysis. These are clients who could potentially be in DOC. It's the responsibility of the DOC to conduct the urine screens during this program, impacting community safety. He feels this has been remarkably effective. He noted community protection and keeping people clean and sober are linked. He discussed the Ricci Greene Associates study performed to determine what kind of criminal justice system was needed in Sullivan County, from this, the key component revealed a high drug and alcohol problem - 80% of offenders self reported of poly substance abuse problems, mirrored by the NH study. The plan: to build a 90-day residential program, right in the jail, to break the cycle of addiction; those addicted won't stop, therefore, it needs to be part of the entire program. He indicated, this approach will be unique and that the County has changed the plans from an entirely new DOC facility to a state of the art residential grade facility. They feel the 90-day program vs. a 28-day program, should be used as best practices defines a program used for 70 to 90 days addresses the serious problems. With this type of program, individuals will earn their way through the system, giving them an opportunity to integrate into community, get a job, have apartment, and become effective productive members of the community. He noted this is the vision of the DOC, Sheriff and Attorney's Office. The vision costs money, but failure to address the problem costs money, too; this program addresses those issue. He pointed out that the

Sullivan Academy program began to address the problems through programming for inmates on money management and parenting classes; but it's not a simple problem the county faces. He believes, fervently, of making the most of the time the inmates serve in the County productive for the entire community. He added, the County does need a new facility, new beds; there are inherent risks with the current facility, which he is not happy about, but at this point, this is Community Corrections facility plan is the most cost effective and humane, and strongly encouraged the Delegates to adopt this plan this year as the problem will not go away. Mr. Martin asked if he envisioned the plan reducing census by 80%? Mr. Hathaway confirmed, "absolutely". He added that treatment is not going to be 100%, or even 80% effective with most serious addicted and failure will be a part of the best program, but, if you take one mother and show her how to raise her children clean and sober, they've succeeded. He indicate DOC currently has two mothers in custody, with one that gave birth six weeks ago; their children will be a burden on the community if the County does not treat the mothers now. Mr. Martin questioned what the legal ramifications and costs would be if the community did not do something now? Mr. Hathaway predicts, in a worst-case scenario, injuries resulting to inmates or staff, which is a constant concern of the DOC Superintendent, Sheriff and his. He advised that Superintendent Cunningham could address other concerns in the current facility, such as doors need to be updated to open automatically 100% of time, addressing fire and smoke hazards, plus addressing liability risks as a result of overcrowding - most pressing, with the female population which creates potential liability with interaction with other inmates and staff.

Closing remarks:

The Delegation decided to convene for the FY09 County Budget Convention Monday, June 30th @ 9 AM. Representative Franklin confirmed he'd check with either Claremont or Newport Sugar River Valley Regional Technical Centers as members expressed importance of having it televised.

9:10 The hearing was adjourned.

Respectfully submitted,

Ellen Nielsen, Sullivan County Delegation Clerk

Ethel Jarvis, Sullivan County Board of Commissioner Clerk

EN/EJ/s.j-c.

DRAFT

6-20-2008 EFC Minutes

Executive Finance Committee Members Present: Representatives Ferland, Cloutier, Donovan, Converse, Gottling

Other Delegation Members Present: Reps. Franklin, Rodeschin

County officials and Employees Present: Treasurer Sweeney, Acting Administrator Chainis, DOC Superintendent Cunningham

The chair called the meeting to order at 10:00 a.m.

Treasurer Sweeney reported on her progress in complying with the EFC's 6-17-08 vote authorizing her to borrow up to \$3,000,000 in a Tax Anticipation Note and directing her to seek formal bids from all county banks. She was having problems sending out formal bids without the bid process costing the county at least \$950, money that is not in the budget for FY 2008. Discussion ensued on this report.

Rep. Cloutier moved, seconded by **Converse**, to reconsider the 6-17-08 directive to the Treasurer to seek public bids. Rep. Gagnon entered the meeting at 10:25 a.m. as discussion continued on the Cloutier motion. The motion carried on a 4 – 0 division vote with Ferland abstaining because she did not attend the 6-17-08 meeting.

Rep. Cloutier moved, seconded by Gottling, that the EFC direct the Treasurer to send a request to any bank operating in the county for a written proposal on borrowing in anticipation of taxes. The motion carried on a 4-0 division vote with Ferland again abstaining. The EFC then discussed with the Treasurer how written proposals to banks would be worded.

Rep. Converse moved, seconded by Gottling, to fund all county grants at a total of \$162,250. The motion carried on a 5 – 0 roll call vote.

Proposed transfers were taken up next starting with the DOC's proposed transfer. Rep. Converse moved, seconded by Cloutier, to approve the DOC's request. Proposed transfers from the Sullivan County Health Center (SCHC) were discussed with SCHC Administrator Purdy. Commissioner Jarvis entered the meeting at 11:30 a.m.

Rep. Converse moved, seconded by Donovan, to approve the first set of SCHC transfer requests, The motion was approved on a 5-0 division vote. Rep. Converse moved, seconded by Donovan, to approve the second set of SCHC transfers between the Nursing and On-Call Nursing Departments with a total fund change corrected on Line 6. The motion was approved by a 5-0 division vote. Rep. Converse moved, seconded by Donovan, to approve the third set of SCHC transfers, an account number change in Lines 1 and 4. The motion was approved on a 5-0 division vote.'

Rep. Donovan moved, seconded by Cloutier, to have the EFC chair sign a corrected transfer request form. The motion was approved on a 5 – 0 division vote

SCHC Administrator Purdy then discussed projected revenues and expenditures in the SCHC including the likelihood that there would be deficits in some sections of his budget because of lower than expected revenues.

Rep. Donovan moved, seconded by Gottling, to accept the Treasurer's proposed borrowing with corrections. The motion was approved on a 5-0 division vote.

Rep. Cloutier moved, seconded by Gottling, to approve a 6-13-08 transfer within the SCHC's Laundry and Linen Department as presented. The motion was approved on a 5-0 division vote. Rep. CLoutier moved, seconded by Converse, to approve a transfer in the Housekeeping Department as presented. The motion was approved on a 5-0 division vote.

Rep. Cloutier moved, seconded by Donovan, to approve SCHC's Central Supply transfers as presented. The motion was approved on a 5 – 0 division

vote.

Rep. Converse moved, seconded by Cloutier, to approve SCHC's Operation of Plant proposed transfer. The motion was approved on a 5-0 division vote.

Rep. Gottling moved, seconded by Donovan, to approve the Woodhull Complex's proposed transfer. The motion was approved on a 5 – 0 division vote.

Rep. Converse moved, seconded by Donovan, to approve the Human Resources transfer request. The motion was approved on a 4-1 division vote.

Rep. Gottling moved, seconded by Converse, to approve Human Resources transfer request.

Rep. Cloutier moved, seconded by Gottling, to approve Payroll Departments's transfer request. The motion was approved on a 5-0 division vote.

Rep. Gottling moved, seconded by ————— to approve the Court House's transfer request. The motion was approved on a 5 – 0 division vote.

Rep. Cloutier moved, seconded by Gottling, to approve a transfer within the Treasurer's budget as presented. The motion was approved on a 3-2 division vote.

Rep. Gottling moved, seconded by Cloutier, to approve a transfer within the Commissioners' Office as presented. The motion was approved on a 5-0 division vote.

Rep. Donovan moved, seconded by Cloutier, to approve transfers within the County Manager's budget. The motion was approved on a 5 – 0 division vote.

The chair recessed the meeting at 12:39 p.m. for lunch. Before recessing the EFC agreed to meet on Monday, June 23 at 9 a.m. The EFC resumed meeting at 1:45 p.m. with Reps. Gottling and Donovan absent. The EFC began by reviewing the Sheriff's Department proposed transfers. Rep. Gottling entered the meeting at 1:51 p.m. Rep. Cloutier moved, seconded by Converse, to approve the Sheriff's Department's proposed transfers. The motion was approved on a 4-0 division vote.

Rep. Converse moved, seconded by Cloutier, to approve transfers within the Citty Attorney's Office of 6 -11-08. The motion was approved on a 4-0 division vote.

Rep. Converse moved, seconded by Cloutier, to take the County Attorney's proposed transfer of 6-3-08 off the table. The motion was approved on a 4-0 division vote.

Rep. Converse moved, seconded by Cloutier, to approve the previously tabled transfer. The motion was approved on a 4 – 0 division vote.

Reps. Rodeschin and Franklin then discussed whether the county's elected officials legally had to come before the EFC for transfers within their budgets provided they did not overspend their own bottom line budget amounts.

The SCHC's Marketing Department's budget was reviewed, Rep. Gottling moved, seconded by Converse to approve a total Marketing Department budget of \$149,205. The motion was approved on a 3 – 1 roll call vote. Yeas were Cloutier, Converse, Gottling. Nay was Ferland.

Rep. Ferland moved, seconded by Converse, to increase the budget of the SCHC's Dietary Department by \$20,000 from \$532,000 to \$552,000. The motion was approved on a 4-0 division vote.

The EFC by a 3-0 consensus vote agreed to put the entire Nursing staff budget figures in the Nursing Department rather than spread the amounts between Nursing and Nursing On Call that includes Agency nursing.

Rep. Cloutier left the meeting at 3:15 p.m. Rep. Gottling acted as clerk. The remaining discussion centered on Operation of Plant and whether a change in the budgeted amount for propane was needed. No change was made.

A reminder was made that the next meeting is on June 23 at 9:00 a.m. in Newport and the meting was adjourned at 3:30 p.m.

John Cloutier, Acting Clerk

6-23-08 EF.C Minutes

EFC Members Present: Reps. Ferland, Cloutier, Converse, Donovan, Gottling

Other Delegation Members Present: Reps. Franklin, Rodeschin

County Officials and Employees Present: SCHC Administrator Purdy, Acting County Administrator Chainis

The chair, Rep. Ferland, called the meeting to order at 9:02 a.m. Mr. Chainis updated the EFC on the just completed contract with the county's unionized employees in the areas of salaries and health insurance benefits. He presented the costs of the new plan as well as the process for administering benefits of retired employees. In addition, as part of the new contract, the weekend and shift differentials have changed.

The EFC then reviewed the administrative section of the SCHC budget. Mr. Purdy answered several questions about Contract Services and Medicaid Write-offs. The following sections of the SCHC budget were reviewed: Dietary, Nursing, Nursing-On-Call, Physician, Pharmacy, Medicare Parts A and B, Physical Therapy, Medicaid, and Speech Therapy. Questions were asked and answers given about the Physical Therapy department where services are leased from Genesis. Additional sections of the SCHC budget review included Recreational Therapy, Social Services, and Dental Services.

A change was made in the Transfer Out Capital section from \$491,000 to \$245,700. The Contra Revenue line was explained as the mechanism by which the FY2007 deficit will be reduced in the FY2008 budget. Mr. Purdy left the meeting at 11:46 a.m.

Mr. Chainis then took up the various trusts and special funds under Fund 41. These are supposed to be in and out items with no financial burden to the County. Fund 24, County Grants, was discussed. Rep. Cloutier moved, seconded by Gottling, to accept the total expense line for Fund 24 Grants at \$511,098. The motion was approved on a 5 – 0 roll call vote. Mr. Chainis said the county will receive some money from the grants for administering them.

Fund 10 revenues were next. Included are incentive Funds and Telephone Commissary Funds. The Register of Deeds total revenues were reviewed. Rep. Cloutier left the meeting at 12:30 p.m. Rep. Gottling became acting clerk. The Registrar said the budget will probably be about \$15,000 to \$20,000 below the budgeted amount but will be o.k. Rep. Franklin asked how the sheriff is doing on budget to actual? The sheriff reported he is on track for revenues and expenditures. The County Attorney said he will be slightly over appropriations. Grants will go down some next year.

A question was asked about inmate laundry. It was reported the Superintendent is not happy with present system of jail doing own laundry in the basement. This needs to be discussed with the Superintendent.

Rep. Franklin asked if the Medicaid revenue assessment shows gross or net revenue. It should show the gross number if the expense side shows Medicaid assessment. He asked if we are unrealistic in the census figure of 137 with 105 for Medicaid and 14 for Medicare. Mr. Chainis replied that the budget is more realistic than previous budgets but is not sure it is as realistic as it could be.

There was discussion of the need to have a balanced budget this year. It is not yet possible to know what the total deficit will be at the end of FY2008.

A new meeting date was set for Wed., June 25 at 9:00 a.m. There was agreement that the EFC could not have a finished budget for the County Convention scheduled for June 30, 2008. Rep. Gottling moved, seconded by Donovan, to adjourn the meeting. The meeting adjourned at 1:15 p.m.

Respectfully submitted,

John Cloutier, Acting Clerk Suzanne Gottling, Acting Clerk

Present - Converse, Donovan, Ferland, Hoteles 3 Goff: Meeting convened at 9:05 Am. Descussion on new budget figures. Currigham - only / person out of salary varge in DOC. not known about other department Chains Note not all corrected. Jorris Solary surroy a account Clerk I Reviewed Commissiones-Office, Treasurer, auditor 1 Coverty administrator. Discussed fiture auditor need of ve have Avent Dioussed Iff: between Celnin Manager three Dire Kunds; need to make clear there is a 59,383.12 rollover -- - Will be oftherbutal to '08. as an acrued payable. Tack of fund belone cause problems. Reviewed paypolly conservation I descussed states of the Mo. Heighes who will work full time for sex months/part-teme pex months. Energy Reserve - have not touched it for 2 years. accounty - Graham + Graham name removed franklin Have we begun workly on fin. dir. " Wheat is of the of Earl Borden? ils he coming to evaluate needs of county propono? County attorney: le new paling with 6 ms. or 12 mo, 1,5 to increase. Need to reflect that 1,50 over 2 years is compounded but begins to calendaryse. I 72,698 is correct Jugure. Cornerse: Be sure Treas / Comm. reflect one time 150% not compounded. Discussion on whether this was what was voted.

Rodeschin - provided copy of minutes that clarifies vote was
to compound 1.500 for ALL elected officials.
Chairs - need to fix rebote - take from Group Health because CAHorr Tolready in salary. asked to fix language in notes about change in secretary 11 grade from 2 to 6 ; Discussed Group Health -Travel - now expended 2,152,16, Hottling - notion / Donovan / second - reduce travel depense 153000. Hand rote - 3-1, Ferland against, Extradition; no live in budget although past few years we have hel \$6,000 + + \$3,000 + in '08 + '07 Donoral - nution / Converse second - Gottlis friendly amendment to add 3000 to Revenue line 16:410-0981 Kand vote 3-1, Ferland opposed. O Discussion on FTE for deputy sheriffs + bailiffs: Charge from & to reflect 8 part-time c Reviewed medical referee, court house, cooperative getension Donora - motion to add \$1500 to fuel line 10, 475-16065. Rodeschin - get PSNH to do energy audit. Chainis - can use cellular shades - what is sprice! yte 4-0 ienanismous Looked at SCHC Capital - Lisiused TV5 Reviewed Human Services Christy Complex. Mistake in Health Assurance Frincey 5 + Princey 10. -Dainis - Can make a cover sheet with general changes + efplanations.

Jarris - Problem W/ salary of human survies director. ... Clinis Corrected to 37, 367, health to 7,121.

Type of Meeting: Date / Time: Place: Sullivan County NH Sullivan County Convention June 30, 2008 / 9:00 am Sugar River Technical Center, Claremont

Participants:

Representatives: Peter Franklin (Chair), Ray Gagnon (Vice-Chair), Ellen Nielsen (Clerk), John Cloutier, Larry Converse, Tom Donovan, Brenda Ferland, Sue Gottling, Matthew Houde, Arthur Jillette, Jay Phinizy, Beverly Rodeschin and Carla Skinder Representative Nielsen arrived at 10:30 am and Representatives Ferland and Rodeschin left shortly after noon.

Commissioners: Jeff Barrette, Ethel Jarvis (morning only); Ben Nelson

Other Elected County Officials and County Employees: Marc Hathaway, County Attorney; Sharron King, Registrar of Deeds; Michael Prozzo, Sheriff; Cynthia Sweeney, County Treasurer; Greg Chanis, Interim County Manager; Ross Cunningham, Superintendent of Department of Corrections; Ted Purdy, Nursing Home Director

Public Participants: Donald Clarke, Former Commissioner; Jeffrey Goff, Claremont City Councilor; Richard Leone, Sunapee Selectman and former Representative; Peter Martin; Stephen White, Sunapee Selectman

Press / Media: Aaron Aldridge, Eagle-Times; Peter Martin, Newport Community TV

The Chair called the convention to order at 9:00 am. Rep. Franklin then introduced Mr. Chanis, who introduced several of the elected officials. The Chair then asked all of the convention members present to introduce themselves. The Chair requested, without objection, that review of the minutes for May 19 and May 28 delegation meetings be postponed until Rep. Nielsen, the delegation clerk, could be present. Rep. Cloutier agreed to take minutes until the clerk arrived.

Public Comment on County Budget for Fiscal 2009:

Rep. Franklin gave an overall review of the county's present financial picture and stated that he would ask the delegation to pass a Fiscal 2009 county budget that is prudent, proper and in the public interest. He said that the EFC already has been working with the county treasurer to save between \$20,000 and \$40.000 in interest paid on revenue anticipation notes, and that he will ask for a continuing resolution in order to do further work on the commissioner's proposed 2009 budget. Then Rep. Franklin asked for public comments on the proposed Fiscal 2009 county budget.

Claremont City Councilor Jeffrey Goff expressed frustration about the entire budget process and the proposed 32% increase in the commissioner's 2009 budget. He criticized the suggestion that the Delegation pass a continuing resolution and said the budget should have been ready for passage today.

Sunapee Selectman Stephen White said that the mess that Sullivan County is in now presents an opportunity to find new ways to pay for the functions of county government with the State's help. "We can't keep putting patches on a leaky tire. We can't rob Peter to pay Paul."

Former Sunapee Representative and Sunapee Selectman Richard Leone said the county should consider privatization of the nursing home, and echoed Mr. White's comments about finding new ways to pay for the functions of county government.

Peter Martin of Newport expressed support for the Department of Corrections proposed new substance abuse treatment facility, and criticized the apparent lack of a plan to deal with the nursing home's financial

problems. He said that the commissioners should be more cautious in projecting nursing home revenue, which has been overestimated in the past.

Commissioner Barrette said he appreciated all of the public comment and said the commissioners would continue to work on fixing the county's financial problems, including those of the nursing home. Commissioner Jarvis echoed his statement. Rep. Skinder said that privatization of the nursing home would be a great idea, if the county could get out of the nursing home business completely. Rep. Converse cited the huge amount in the Human Resources section of the budget, and said cuts should be made.

Former Commissioner Donald Clarke said it was important to keep all of the nursing home beds full and do better marketing of the facility. Rep. Skinder said there should be more positive stories about the nursing home in the press.

Report of the Executive Finance Committee:

Rep. Ferland, chair of the EFC, was recognized to present the report of the committee to the convention. After passing out a printed summary of the cuts which the EFC had made in the commissioner's budget, Rep. Ferland offered a motion that the delegation accept these changes as the EFC version of the budget. The motion was seconded by Rep. Rodeschin. The chair of the delegation, Rep. Franklin, ruled that this motion was out of order because Rep. Ferland had been recognized to present the report of the EFC, not to make a motion.

Rep. Rodeschin made a motion to challenge the ruling of the chair and the motion was seconded by Rep. Ferland. In a roll call vote, representatives voted as follows: YES: Cloutier, Ferland, Houde. Phinizy, Rodeschin and Skinder NO: Converse, Donovan, Franklin, Gagnon, Gottling and Jillette. Because the vote was a 6-6 tie, the motion failed.

Rep. Franklin then asked Rep. Ferland to present the report of the EFC. Rep. Ferland went over the figures on the pages she had passed out which represented the works done so far by the EFC. Rep. Nielsen arrived at 10:15.

Rep. Phinizy moved that the delegation adopt the Commissioners' budget as presented at the County Budget Hearing on 17 June 2008, with total expenditures of \$27,312,157.00, with \$13,671,124.00 to be raised in taxes.

Discussion: Rep. Ferland pointed out that the commissioners' budget as presented on 17 June needed some changes, and offered examples such as a change in insurance rates. Rep. Phinizy said that if we spent the whole day working on the changes that need to be made to the commissioners' budget we might be able to adopt an amended version of it before the end of the convention. Rep. Donovan said that the recommendations made by Rep. Ferland were not those of the entire EFC. Rep. Franklin said that the county does not need to adopt a budget until 31 August. Rep. Gottling said that the EFC has been working hard but there are many unresolved issues which should be discussed and some errors which must be corrected. Rep. Rodeschin said that she sat in on an EFC meeting and observed that the members of the committee could not agree and were talking about issues other than the 2009 budget such as transfers. She said she wants to pass a budget today. Rep. Gottling said that the EFC is charged with monitoring current expenditures and transfers as well as the next year's budget. She also explained how the new contract with the employees union may affect the next year's budget.

Rep. Rodeschin asked for a ten minute recess. The convention recessed at 10:50 am and reconvened at 11:05. During the recess the Democratic representatives held a short caucus in the hall. After the recess, Claremont City Council member Jeffrey Goff asked to be recognized and objected to what he perceived as a private and illegal meeting of the delegation. Representative Franklin and others pointed out that party caucuses were legal and were a recognized part of the legislative process.

Rep. Rodeschin moved the question on Rep. Phinizy's motion to accept the Commissioner's Budget and Rep. Ferland seconded the motion. The motion passed, by a vote of 10 to 3, with representatives voting as follows: YES: Converse, Donovan, Franklin, Gagnon, Gottling, Houde, Jillette, Nielsen, Rodeschin, and Skinder NO: Cloutier, Ferland and Phinizy.

Rep. Phinizy's motion to accept the Commissioner's Budget failed 10-3, with representatives voting as follows: YES: Ferland, Phinizy and Rodeschin NO: Cloutier, Converse, Donovan, Franklin, Gagnon, Gottling, Houde, Jillette, Nielsen and Skinder.

Continuing Resolution:

The motion to accept the Commissioner's budget having failed, way was now open for the convention to consider a continuing resolution as had been suggested earlier by Rep. Franklin.

Rep. Cloutier offered a continuing resolution, seconded by Rep. Donovan, which read as follows:

A Continuing Resolution for Expenditures of Funds in Fiscal Year 2009:

Whereas a budget has not been enacted for the Fiscal year 2009 and whereas, action at this time is necessary to carry out the essential functions of County government after June 30, 2008 and prior to enacting said budget acts, now therefore be it resolved by the Sullivan County Delegation convened;

a. That the county Commissioners and elected officials expend funds to continue the necessary operations of the County.

b. The authorization provided in this resolution shall be deemed to be the County Convention's Fiscal Year 2009 sums necessary to discharge obligations.

c. This resolution shall take effect July 1, 2008 and continue in effect until an operating budget for Fiscal Year 2009 is enacted, but no later than September 1, 2008.

d. The Delegation appropriates \$2,000,000.00 to be expended for the necessary operations of Sullivan County.

Discussion of the resolution followed, centering on whether or not the delegation could act as a committee of the whole, a timetable for the delegation to work on an amended version of the Commissioner's Budget and adopt it before 31 August 2008 and whether or not the figure of \$2,000,000.00 was correct. County Treasurer Sweeney and Interim County Manager Chanis pointed out that the average expenditure per month to run the county is approximately \$2,300,000.00. It was agreed that the first date for a meeting would be July 8, and that most delegation members preferred an early evening meeting. Two amendments to the continuing resolution were offered:

Rep Cloutier moved that the words "acting as a committee of the whole" be inserted into the continuing resolution and Rep. Donovan seconded this motion. The motion passed, 10-3, with representatives voting as follows: YES: Cloutier, Converse, Donovan, Franklin, Gagnon, Gottling, Houde, Jillette, Nielsen and Skinder NO: Ferland, Phinizy and Rodeschin.

Rep. Cloutier moved to amend the continuing resolution by changing the amount in part d. from \$2,000,000.00 to \$4,600,000.00, and Rep. Donovan seconded the motion. The motion passed, with representatives voting as follows: YES: Cloutier, Converse, Donovan, Franklin, Gagnon, Nielsen, Gottling, Houde, Jillette, Nielsen, Phinizy, and Skinder NO: Ferland and Rodeschin

Rep. Houde moved to amend the continuing resolution by changing the amount in part d. from \$4,600,000.00 to \$2,300,000.00*, and Rep. Skinder seconded the motion. The motion passed, 10-3, with representatives voting as follows: YES: Converse, Donovan, Franklin, Gagnon, Gottling, Houde, Jillette, Nielsen, Phinizy and Skinder NO: Cloutier, Ferland and Rodeschin.

The continuing resolution, as amended, passed by a vote of 10-3, with representatives voting as follows:

YES: Cloutier, Converse, Donovan, Franklin, Gagnon, Gottling, Houde, Jillette, Phinizy and Skinder NO: Ferland, Nielsen and Rodeschin.

The amended continuing resolution reads as follows:

A Continuing Resolution for Expenditures of Funds in Fiscal Year 2009:

Whereas a budget has not been enacted for the Fiscal year 2009 and whereas, action at this time is necessary to carry out the essential functions of County government after June 30, 2008 and prior to enacting said budget acts, now therefore be it resolved by the Sullivan County Delegation, acting as a committee of the whole, convened;

a. That the county Commissioners and elected officials expend funds to continue the necessary

operations of the County.

b. The authorization provided in this resolution shall be deemed to be the County Convention's Fiscal Year 2009 sums necessary to discharge obligations.

c. This resolution shall take effect July 1, 2008 and continue in effect until an operating budget for

Fiscal Year 2009 is enacted, but no later than September 1, 2008.

d. The Delegation appropriates \$2,300,000.00 to be expended for the necessary operations of Sullivan County.

Following this vote, Representatives Ferland and Rodeschin left the convention.

County Treasurer's Report:

County Treasurer Cynthia Sweeney reported on the results of a new bidding process which has been instituted since the county budget hearing on 17 June 2008. Rather than informally negotiating interest rates for revenue anticipation notes (RANs), the treasurer sent out formal letters requesting bids to eight local banks. Four banks responded with quotations on interest rates for a RAN of \$3,000,000.00. The lowest rate—2.17%— was offered by the Laconia Savings Bank. This is a substantially lower rate than the county presently is paying to the Lake Sunapee Bank—3.13%. The treasurer thanked several members of the delegation and Claremont City Councilman Jeffrey Goff for helping to develop the new procedure. Rep. Gagnon suggested that it might be a good idea to re-finance the debt owed by the county to the Lake Sunapee Bank.

Rep. Gottling moved that the delegation instruct the County Treasurer to send Requests for Proposals to 8 local banks to borrow \$3,125,000 to retire* the Fiscal 2008 deficit. The motion was seconded by Rep. Donovan, and passed by a vote of 11-0, with representatives voting as follows: YES: Cloutier, Converse, Donovan, Franklin, Gagnon, Gottling, Houde, Jillette, Nielsen, Phinizy and Skinder.

County Treasurer Sweeney requested permission to accept the bid from the Laconia Savings Bank.

Rep. Gottling moved that the delegation accept the bid of the Laconia Savings Bank to lend the county \$3,000,000.00, to be expended in Fiscal 2009 as a Revenue Anticipation Note. The motion was seconded by Rep. Skinder and passed by a vote of 11-0, with representatives voting as follows: YES: Cloutier, Converse, Donovan, Franklin, Gagnon, Gottling, Houde, Jillette, Nielsen, Phinizy and Skinder.

Update on Corrections Project:

Ross Cunningham, the superintendant of the Department of Corrections, provided an update on the proposed corrections plan to upgrade the existing county jail and build a 68 bed residential treatment facility and distributed material including a timeline, cost estimates and an amortization schedule. He said that the plan will have no impact on the Fiscal 2009 Budget, but according to the amortization schedule, the project will cost approximately \$530,000.00 in Fiscal 2010. The plan calls for the upgrade of the existing facility to begin in 2009, and for three new positions to be added beginning in January, 2010. If

the project is approved, the plan will be to borrow money rather than issuing bonds, in order to reduce the up front costs of financing the project.

Discussion: Rep. Nielsen spoke in favor of the project and said it would save the county money in the long run. Rep. Gottling asked several questions about the additional staffing. Rep. Franklin asked if the project could be postponed for a year because of the county's financial problems. Rep. Gagnon said that it would be a good idea to evaluate the pros and cons of delaying the project for one year. Rep. Phinizy suggested that the delegation pass a motion expressing support for the project. Rep. Nielsen pointed out that the delegation already had passed such a motion at the April delegation meeting. Mr. Chanis said that at this time it is necessary for the delegation to give permission to borrow money for the project if it is to go forward. After consultation with County Attorney Hathaway, it was determined that it will be necessary to hold a public hearing before the delegation approves financing the project. The convention took a brief recess to allow Rep. Phinizy, the clerk, and County Attorney Hathaway to draft a motion regarding the public hearing.

Rep Phinizy moved that the Delegation set a date, pursuant to RSAs Chapter 28 and 33 for a public hearing on the proposal to upgrade to the existing correctional facility and construct the proposed community corrections center, and to instruct the Commissioners to submit a proposal for financing the said upgrade and new construction to the Delegation for consideration. The motion was seconded by Rep. Nielsen. The motion passed with a vote of 11-0, with representatives voting as follows: YES: Cloutier, Converse, Donovan, Franklin, Gagnon, Gottling, Houde, Jillette, Nielsen, Phinizy and Skinder.

Other Old or New Business:

Rep. Cloutier moved that the delegation authorize the commissioners to accept and expend funds while the continuing resolution is in effect. This motion was seconded by Rep Phinizy. The motion passed 11-0 with representatives voting as follows: YES: Cloutier, Converse, Donovan, Franklin, Gagnon, Gottling, Houde, Jillette, Nielsen, Phinizy and Skinder.

Minutes of 19 May and 28 May:

Representatives Cloutier, Converse, and Franklin had questions about the accuracy of the minutes of the delegation meeting of 19 May, when the delegates met to set the salaries of the elected officials of the county. At that meeting, Rep. Cloutier made and Rep. Converse seconded a motion to give a 1.5% raise to the county treasurer and the county commissioners. The motion passed. The minutes of 19 May were not reviewed at the delegation meeting on 28 May, and it was not until late June that Rep. Converse and Rep. Cloutier realized that the motion recorded in the minutes was not the motion they thought they had made and seconded. It was their intention to give the raise for one year only, not compounded during the second year. Rep. Cloutier's motion had followed a similarly worded motion giving a 1.5% raise to the sheriff, the county attorney, and the registrar of deeds, but this raise was for 1.5% per calendar year. The clerk's handwritten notes indicated that she had asked either Rep. Cloutier or Rep. Converse if he meant to give the same raise and had been told yes. The other representatives were polled and all except Reps. Cloutier, Converse and Franklin said that they had believed that they were voting for the same raise for all elected officials. County Attorney Hathaway was consulted and he explained that the salaries had to be set before the candidates' filing period, and could not be changed afterward.

Rep. Franklin moved that to avoid controversy in the next budget cycle the delegation affirms that the increase in salaries for all elected officials is 1.5% compounded. The motion was seconded by Rep. Phinizy. The motion passed by a voice vote, with one person voting NO.

The delegation moved on to consideration of the minutes of 28 May 2008. The clerk explained that while she had not been present at the delegation meeting, she had been able to prepare a synopsis of the meeting by speaking with several people who attended and by listening to the tape. No votes were taken on 28 May.

Without further objection, the minutes of 19 May 2008 and 28 May 2008 were accepted by the delegation.

The convention was recessed at approximately 2:40 pm, to re-convene on Tuesday, 8 July 2008 at 5:00 pm at the Newport County Complex for the purpose of working on the Fiscal 2009 budget as a committee of the whole and to conduct other business as necessary.

Respectfully Submitted

Rep. Ellen Nielsen, Delegation Clerk

Sullivan County NH FY2008 County Annual Report

"All day, every day, we make life better."



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